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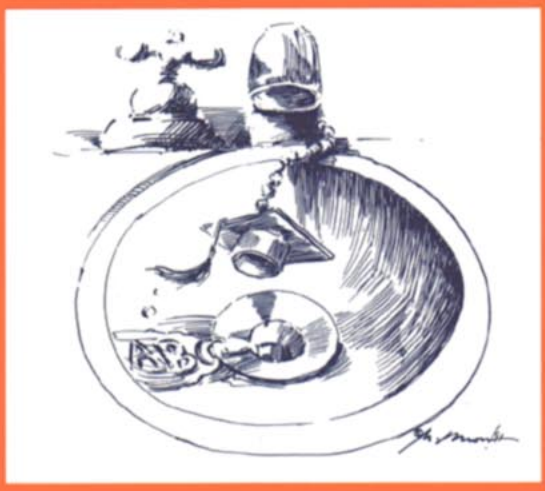

Illiberal Education Can't Be Cured with Illiberalism

America's OPEC: The Public School Cartel

Elephants and Ivory

Government Is Strangling Transit

JULY 1991

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Published by
The Foundation for Economic Education
Irvington-on-Hudson, NY 10533

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The Board: Bruce M. Evans
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Senior Editors: Beth A. Hoffman
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The Freeman is the monthly publication of The Foundation for Economic Education, Inc., Irvington-on-Hudson, NY 10533. FEE, established in 1946 by Leonard E. Read, is a nonpolitical educational champion of private property, the free market, and limited government. FEE is classified as a 26 USC 501 (c) (3) tax-exempt organization. Other officers of FEE's Board of Trustees are: Thomas C. Stevens, chairman; David H. Keyston, vice-chairman; Paul L. Poirot, secretary; Don L. Foote, treasurer.

The costs of Foundation projects and services are met through donations. Donations are invited in any amount. Subscriptions to *The Freeman* are available to any interested person in the United States for the asking. Additional single copies $1.00; 10 or more, 50 cents each. For foreign delivery, a donation of $15.00 a year is required to cover direct mailing costs.

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Bound volumes of *The Freeman* are available from The Foundation for calendar years 1971 to date. Earlier volumes as well as current issues are available on microfilm from University Microfilms, 300 North Zeeb Road, Ann Arbor, MI 48106.

The Freeman considers unsolicited editorial submissions, but they must be accompanied by a stamped, self-addressed envelope. Our author's guide is available on request.

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Cover art: © Washington Post Writers Group

PERSPECTIVE

Responsible Attitudes

Private business enriches society. You have a greater responsibility and a greater attitude toward the things you own. In socialism, everything "belonged" to everyone, so no one had a responsible attitude toward the equipment and material.

—MILAN STRBA, a commercial painter in Czechoslovakia, quoted in the March 1991 issue of *New Dimensions*

Free to Choose

A central feature of bourgeois philosophy, what I have called "classical individualism," is that human life is not subject to predictions. This is because human individuals have the capacity to choose what they will do. Of course, one can estimate trends, based on well-established habits of mind and action, the constraints of nature and law, and so forth. But just how human beings will cope with the constraints, how they will come to terms with their own habits of mind and action, whether they will change their laws—those questions must not be answered prior to what they will actually do. Perhaps the most grievous fault of contemporary social science is to have built up expectations in us that ignore the above aspects of human life. Social engineering can only go so far—usually as far as the next person's intelligent way of pre-empting the engineers' plans.

—TIBOR R. MACHAN
Auburn University

Free-Wheeling Capitalism

Picture this: a Southern town invaded by hordes of motorcyclists. If it were the plot of a B movie, you all know how the script would go. The people are apprehensive; the motorcyclists are abusive. But this action takes place for real every year in Daytona Beach, Florida, and most residents couldn't be happier.

The event is officially called Bike Week, though that's Harley-Davidsons not 10-speeds, and this year was its 50th anniversary. It takes place in the time period after the Daytona 500 race has ended and before Spring Break begins. It's when the motorcycle engines at the Daytona Beach racetrack

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start revving up. It's also when you start noticing folks around town who don't exactly remind you of Ozzie and Harriet.

But before you even notice the folks, you notice the signs. "Welcome Bikers." On the Food Lion Supermarket, there's a big piece of white cloth draped out front saying "Welcome Bikers." The Wal-Mart also welcomes the bikers; so do many of the restaurants and motels. A Western-dress store runs advertisements on television only during Bike Week. Ditto a gun store. The bars welcome the bikers too.

Now these guys look a lot like the guys in those B movies. They are dressed in black. Many of the men sport beards and long hair. In general, both the men and the women have a *je ne sais quoi* ambiance about them, which sets them apart. Perhaps it's all their tattoos. But nonetheless, townspeople understand that underneath it all is a common humanity. If you prick them, do they not bleed? And better than that, do they not share with the rest of us the need to eat and sleep and purchase souvenirs?

Welcome Bikers. Residents enjoy going out on the town just to see hundreds, sometimes thousands, of motorcycles parked in front of local businesses. And there's a parade marking the end of Bike Week that passes by the McDonald's with its "Welcome Bikers" sign out front. Come back next year, bikers. Daytona Beach doesn't have much industry, and it's people like you who keep this town going. So come back and bring your buddies and don't forget your wallets.

See! It's not just Southern hospitality that brings out the best in people. And it's not just laws that overcome prejudices. It's capitalism too.

—A. M. Rogers
Ormond Beach, Florida

Anyone Can Do It

Of all our social problems, crime is certainly the most inexcusable, and the criminal is deserving of the least compassion. People who suffer from physical and mental disorders or unforeseen economic hardships have had their situation thrust upon them, and they truly suffer from the cards that were dealt to them. This is not true of the criminal, however, and one is hard put to include him on the list of those who drew the short straw from the fates.

The professional criminal is a volunteer. All that society asks of him is that he stop doing what he is doing, and this doesn't seem to be an unreasonable request. It isn't a great exaggeration to say that every man, woman, and child in the United States is capable of *not* stripping a car, *not* selling drugs, *not* vandalizing property, and *not* robbing a store. No one is asking the lawbreaker to run a four-minute mile, to translate the Dead Sea Scrolls, or to play a fugue on the harpsichord. Obeying the law requires no talent and no training. Anyone can do it.

—Donald G. Smith
Santa Maria, California

Reaping the Harvest

I had my gall bladder removed last summer by a new surgical procedure that kept me hospitalized for only one night. This is a vast improvement over the standard gall bladder surgery, and the nurses made quite a fuss over my "miraculous" recovery.

Of course, I had almost nothing to do with this "miracle." Someone else thought of it; someone else invested in it; someone else went through a lot of training to make it work.

As we look back, we see that such advances are based upon a seemingly endless procession of similar breakthroughs. The advances of the 1990s are based on the advances of the 1980s, the 1970s, and so on. It takes a long time to perform major surgery in less than an hour.

What type of environment gives rise to such advances? What percentage of them have occurred in an open atmosphere of relative freedom? What percentage of them have relied upon coercive taxation, regulations, and orders from above?

When we examine history, particularly the incredible advances that have been squeezed into the past 200 years, we find that free societies lead the way. A free society is truly a breakthrough society.

Can we, as individuals, contribute to such advances? Most of us, after all, don't work at the cutting edge of science, technology, or medicine. We can, however, contribute to the cause of freedom, for it is freedom of thought and freedom of enterprise that will nurture the great advances that will bless our children.

—Brian Summers

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America's OPEC: The Public School Cartel

by Thomas J. DiLorenzo

Tennessee, New Jersey, and numerous other states have recently proposed or enacted *state* tax increases with the ostensible purpose of improving *local* public schools. Despite the fact that there is virtually no evidence that simply throwing more money at public schools will improve them, governors, state educational bureaucrats, teachers' unions, superintendents' associations, and politicians strongly support the increased taxes because, they claim, it is in the "public interest" to do so.[1]

Anyone who challenges these policies is typically labeled as greedy or grossly uninformed about the educational needs of children. Listening to the public school bureaucracy, one gets the impression that this latter category even includes many parents.

The public school bureaucracy thus portrays itself as comprised essentially of selfless, benevolent public servants, in sharp contrast to stingy, self-interested taxpayers. Accordingly, the state supposedly needs to raise taxes because local communities are unwilling to do so, even for the good of their own children.

I believe a more accurate explanation of various campaigns for greater state funding of local public education is that such campaigns are a manifestation of how local government consists primarily of a collection of cartels—public school cartels, cable TV cartels, electric power cartels, water supply cartels, hospital cartels, and even parking lot cartels. Not surprisingly, since most municipal "services" are organized as monopolies, they perform as monopolists, gouging consumer/taxpayers with high (tax) prices while offering low-quality services.

Greater reliance on state funding of local public education, I will argue, is simply a way of extracting further payments from the victims of the public school cartel—the taxpayers. If my interpretation is correct, then much of the rhetoric about how the public school monopoly is in the public interest is just that—rhetoric—which only serves as a smoke screen for what is essentially a price-fixing conspiracy against the public.

The Public School Cartel

A well-enforced cartel is one in which each member agrees to cut back on production in order to drive up the price of the product the cartel is selling. Fortunately for consumers, cartel "cheating" is so pervasive and inevitable that they rarely last very long. Historically, there are thousands of examples of private cartels that collapsed because their members cheated.

Unfortunately for consumers, cartelists in many industries have been able to invoke the power of government to enforce their cartel agreements when private enforcement failed. The Civil Aero-

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nautics Board was a government-enforced cartel agreement; the Interstate Commerce Commission enforced a trucking industry cartel; the regulation of hundreds of occupations, from taxi driving to morticians, is a way of enforcing occupational cartels. The list is almost endless. In return for campaign contributions and other forms of political support, politicians use the coercive powers of government to enforce "private" cartel agreements, all to the detriment of consumers.

Local public schools are monopolies since, by law, they enjoy a captive audience of students, are funded by compulsory taxation, and mandatory attendance laws force their "customers" to "consume" their "product," regardless of how low quality it may be. School districts across the United States would like to enhance their monopoly power (and "profits" in the form of tax revenues) by acting as one giant cartel—at least within each metropolitan area—but are often unable to do so effectively.

The reason for this is opposition by taxpayers, both at the voting booth and by "voting with their feet." For example, if there are 10 school districts within a metropolitan area, and one of them raises taxes significantly (or, equivalently, reduces the quality of education), it will be at a competitive disadvantage because many parents who believe their children can get just as good an education in lower-tax jurisdictions (or a better education for the same tax burden) will move.

If all 10 jurisdictions conspired to raise taxes, however, then the taxpayers would have to move to a different metropolitan area altogether to escape the tax or the decline of educational quality (or both). This form of taxpayer opposition is more costly to the taxpayers and is therefore more unlikely to occur.

Thus, in order to raise taxes as much as they would like, local governments must enter into a cartel arrangement. But like all cartels, they face the problem of "cheating" by other cartel members. That is, there is no guarantee that every jurisdiction will raise its taxes.

No jurisdiction will increase its taxes if it thinks the others won't follow suit. Even though they all would like to raise taxes, each hesitates to do so. Moreover, the more members of the cartel there are, the more difficult it becomes to enforce a school district price-fixing cartel.

That's where the state government comes in. The state can act as a cartel enforcer for local governments, just as various regulatory agencies and other governmental entities have acted as cartel enforcers for private-sector cartels.

Specifically, raising state taxes and then redistributing some amount to local governments—after the state has taken its cut—is a way for local governments to avoid the cartel cheating problem. State governments are the enforcement mechanism to raise everyone's taxes; taxpayers must then move to an entirely different state to vote with their feet. Obviously, this makes it much more difficult and unlikely that taxpayers will express their freedom of choice. The local government price-fixing cartel becomes effective, thanks to state government "enforcers."

The Role of Government Propaganda

State politicians seek tax dollars as much as other politicians, but they are also aware that they run the risk of losing political support by advocating higher taxes. They want the higher tax revenues that they can use to enhance their political careers by claiming credit for "improving" public schools and declaring themselves the "education governor" or senator, or whatever. They must, however, from their perspective, deflect taxpayer opposition to their political plans.

To deflect taxpayer opposition, a formidable coalition of teachers' unions, school superintendents, state educational bureaucrats, and state and local politicians is often formed to wage a propaganda campaign to confuse or wear down taxpayer opposition. They typically utilize the strategy of repetition: If you say it often enough, they'll start to believe it.

For example, in Tennessee, per-student public school spending at the primary and secondary levels more than doubled from 1980 to 1990 while student achievement plummeted. This, of course, has been the trend in the U.S. for at least 30 years—spending more and more on public schools for worse and worse results. Yet, in a campaign to raise taxes, the state educational bureaucracy endlessly repeated the argument that the "solution" to declining student performance is more spending.

Such propaganda campaigns can be effective, for most citizens are "rationally ignorant" of many public policy issues; they spend much more

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time on their personal affairs than on educating themselves about public policy. Joseph Schumpeter had strong opinions on this matter, writing in his classic book, *Capitalism, Socialism, and Democracy*, that "the typical citizen drops down to a lower level of mental performance as soon as he enters the political field. He argues and analyzes in a way which he would readily recognize as infantile within the sphere of his real interests. He becomes a primitive again. His thinking becomes associative and affective."[2]

To make matters worse, much of the information about public policy alternatives that voters do receive is biased and self-serving, having been produced by special interest groups, such as teachers' unions, or by government itself. Consequently, many citizens make public decisions based on false information.

Despite government and special-interest propaganda, however, many voters are aware—or at least suspect—that throwing money at public schools won't work. To try to eliminate this skepticism, state governments often promise to "do it better" next time, particularly by "streamlining" the educational bureaucracy. The press secretary to the governor of Tennessee, for example, recently announced that in return for a proposed $1.3 billion tax increase (approximately $800 per year for a family of four), the state would make the local schools "run like a business" by requiring elected (as opposed to appointed) school boards that would appoint school superintendents, just as corporate boards of directors appoint chief executive officers.[3]

Such proposals are, of course, transparent propaganda. There are no real businesses that have a captive audience of "customers" guaranteed by law, are financed completely by compulsory taxes, enjoy the benefits of mandatory attendance laws (or something like them), and are exempt from onerous taxes and regulations that any potential private competitor must comply with. The phrase "business-like government" is truly an oxymoron.

Transparent as the public school bureaucracy's propaganda is, it is often enough to confuse a sufficient number of voters. It isn't unusual for voter turnout in state or local elections to be 20 percent or less. Furthermore, public employees vote far more frequently than the average citizen; and since public employees can also bring in two or three other votes from relatives or friends, they disproportionately influence state and local elections.[4] Thus, the government needs to persuade only a relatively small number of marginal voters with its propaganda campaigns.

In sum, the purpose of such government propaganda campaigns is to convince voters that even though there is no evidence that public education will be improved, the "solution" is to spend more money. As Richard E. Wagner has explained, the function of government advertising campaigns "would seem to be to promote acquiescence in and to provide assurance about the prevailing public policies. The purpose of public advertising would be to reassure citizens that the fact that their public goods are composed of 60 percent baloney indicates good performance."[5]

Government For or Against the People?

Imagine that the grocery store industry was organized like American public schools. Each family would be assigned to a single store where they must shop for all their groceries, and no competition would be allowed. Each family would pay an annual grocery tax of several thousand dollars and be required to enter the government-subsidized grocery store at least three times a week—whether they buy anything or not—because of "mandatory attendance" laws. Such laws would have been established through the lobbying efforts of our hypothetical grocery store monopolists who know that Federal and state subsidies depend partly on the average daily attendance in their stores. All cost overruns would be automatically covered by additional taxpayer subsidies, and whenever costs outstripped the ability of local governments to provide the subsidies, a "food crisis" would be declared and the government would wage a propaganda campaign to raise taxes.

Such a grocery industry would be bizarre indeed, but this is exactly the way the public school monopoly is organized. The reason why, for at least the past 30 years, additional spending has led to nothing but lower student achievement was clearly explained by sociologist James Coleman: "To understand how the outputs of education could be unrelated to the school inputs [i.e., spending], it is only necessary to shift the context. In the industries of Eastern Europe and the Soviet

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Union, which like American public schools operate under state management without markets subject to the discipline of consumer choice, outputs are also little related to inputs."[6]

The public school monopoly operates like a defunct Eastern European government monopoly: its "product" gets worse and worse, year in and year out, while the beneficiaries of the monopoly—educational bureaucrats and teachers' unions—clamor relentlessly for more and more subsidies. The obvious solution to the collapse of socialism in Eastern Europe and elsewhere is privatization and free enterprise. Only by establishing private property and free markets can the formerly Communist countries hope to develop healthy economies that cater to the preferences of their citizens rather than to the political whims of their rulers, as is the case in all socialistic organizations, including the American public schools.

Politicians, bureaucrats, and teachers' unions show their true colors when they organize powerful political opposition to any attempt to provide parents more freedom of choice in education, whether through vouchers or tax credits or the more genuine reform of privatization of government schools. It is American parents and taxpayers against whom the public school bureaucracy is constantly doing political battle, which calls into question the bureaucracy's self-serving claims of being "public servants."

A case in point of how the public schools have been a cartel designed primarily to benefit the public school bureaucracy, not the public, is the experience of Polly Williams, the Milwaukee state legislator and single mother of four who earned the support of the governor of Wisconsin and the state legislature for an experimental educational voucher plan. Her plan (which was implemented in the fall of 1990 but is subject to a court challenge) gave as many as 1,000 inner-city youths scholarships worth up to $2,500 annually that could be used at any school in the area, public or private. (The average per-student expenditure in the Milwaukee public schools exceeds $7,500.)

The plan was enthusiastically embraced by hundreds of minority parents as well as the state legislature and the governor. Parents found that their children could get a far superior education at significantly lower costs to Milwaukee taxpayers. This was as much a boon for the parents and students as it was a disaster for the public school bureaucracy. Powerful opposition, including an ongoing court battle, was provided by teachers' unions and school superintendents—the protectorates of monopoly privilege.

Episodes such as this underscore the true essence of the public school cartel. It is a sad example of how government has increasingly become more the master than the servant of the people.

No one can reasonably argue that citizens shouldn't have the right to shop around for the best deals they can get for groceries, automobiles, clothing, appliances, recreation, and virtually every other consumer item. Even Mikhail Gorbachev has been widely quoted as saying, "Freedom of choice is a universal ideal." This is clearly not true, however, for the public school bureaucracy, which makes every attempt to stand in the way of parents who wish to exercise the same kind of freedom in choosing the education their children receive as they do when choosing between Coke and Pepsi.

Needed: A New American History Lesson

The American Revolution was fought partly as a protest over government-sponsored monopolies that King George III tried to impose on the colonists. It would be a fine history lesson indeed for America's school children to witness a second American revolution against monopolistic government, starting with the dismantling and privatization of the public school cartel. □

1. Erick Hanuscheck, "The Economics of Schooling: Production and Efficiency in Public Schools," *Journal of Economic Literature*, September 1988, pp. 1141-77.

2. Joseph Schumpeter, *Capitalism, Socialism, and Democracy* (New York: Harper and Row, 1950), p. 262.

3. *Chattanooga News-Free Press*, March 9, 1991, p. 5.

4. Winston C. Bush and Arthur T. Denzau, "The Voting Behavior of Bureaucrats and Public Sector Growth," in Thomas Borcherding, ed., *Budgets and Bureaucrats* (Durham: Duke University Press, 1977), pp. 90-99.

5. Richard E. Wagner, "Advertising and the Public Economy," in David Tuerck, ed., *The Political Economy of Advertising* (Washington, D.C.: American Enterprise Institute, 1976), pp. 90-110.

6. James Coleman, "A Quiet Threat to Academic Freedom," *National Review*, March 18, 1991, p. 28.

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Illiberal Education Can't Be Cured With Illiberalism

by John-Peter A. Pham

I. Crisis in Academia

When Allan Bloom published his 1987 critique of American higher education, *The Closing of the American Mind,* he ignited a fire-storm of indignation from the dons of academia whose seemingly tranquil world he had disturbed. Not uncommon was the response from the American Council of Learned Societies, which solemnly declared that "precisely those things now identified as failings . . . actually indicate enlivened transformations." Today, however, the record clearly vindicates Professor Bloom: no matter what index is used to gauge the performance of the country's "best and brightest," the results are equally dismal.

A 1989 poll of college students from 67 schools conducted for the National Endowment for the Humanities by the Gallup organization revealed that most would not be able to recognize classic literary works, identify the men and women who contributed major philosophical concepts, or even state important historical changes. For example, 58 percent couldn't identify Shakespeare as the author of *The Tempest*; 42 percent couldn't date the American Civil War to within a half-century; and 25 percent thought that one of Karl Marx's favorite dictums—"from each according to his abilities to each according to his needs"—was excerpted from the U.S. Constitution.

Mr. Pham is former editor-in-chief of Campus, *America's largest student newspaper, and co-editor of the forthcoming book,* The State of the Campus Report, *from the Intercollegiate Studies Institute.*

At the University of Chicago, a current-events survey recently conducted by the independent student journal, *The Chicago Crucible*, found that two-thirds of the nearly 300 undergraduates interviewed at the prestigious Midwest institution didn't know the capital of Canada. Only 8 percent could identify both U.S. senators from Illinois. Equally disheartening statistics were tallied in similar polls conducted by independent student journalists at Dartmouth, Vassar, and other elite schools.

These statistics often are justifiably offered as evidence of some failure in higher education to impart to students a common body of knowledge essential to the continuance of the Western tradition of humanistic studies and the maintenance of a free and informed society. To a great extent, the responsibility for the crisis must be borne by colleges and universities. The administrations of these institutions have certainly allowed standards to decline to the extent that it is now possible to graduate from 78 percent of the nation's colleges and universities without ever having taken a course on the history of Western civilization, and 33 percent without ever having taken *any* history course. American literature is required reading at fewer than half of American centers of higher education.

What is worse is not that students are no longer being exposed to a common body of cultural knowledge (although this is a major problem), but that the shell of traditional studies has been preserved, yet left devoid of any semblance of mean-

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ing, rational moral purpose, or hierarchy of values. Traditional academic departments have had to endure the indignity of having courses such as "Psychology of Dress" (Dartmouth), "Sexual Metaphysics in Gustave Courbet" (Stanford), and "Sodomy and Pederasty Among 19th-Century Seafarers" (Rutgers) inserted into the curriculum next to the works of Plato and Aristotle.

Alongside the debasement of traditional humanistic studies has been the increase in undergraduate specialization and vocational studies to the detriment of liberal education. While there should always be the option of early professional training for students and parents who elect it, the level of vocational overspecialization has approached the absurd. Auburn University, for example, offers a course in "Recreation Interpretive Services," which, according to the course description, teaches "principles and techniques used to communicate natural, historical, and cultural features of outdoor recreation to park visitors."

Arguments have nevertheless been made that some students may need the security of employable skills that vocational studies confer rather than the more abstract utility of, say, classical studies. Granted. However, employers still expect graduates to have a certain set of skills commonly associated with educated people, the abilities to communicate coherently and reason rationally heading the list. The graduates of the traditional curriculum certainly had these qualifications; time will indicate whether students of recreational interpretive services have them as well.

And if it weren't bad enough that the liberal curriculum has been trivialized, the quality of the actual instruction in what remains of the curriculum, particularly for undergraduates, is on the whole rather poor. According to the Carnegie Foundation for the Advancement of Teaching, over half of American college and university instructors spend less than 10 hours a week actually teaching; an additional 15 percent never even darken the doorway to a classroom.

As a full exposition of the crisis in teaching is beyond the scope of this article, it suffices to mention that perhaps the primary factor contributing to the decline is the reduced incentive to teach. While billions of both private and government dollars are available in grants for competent researchers, there are relatively few such rewards for gifted instructors. This, coupled with its corollary, the cash-starved academic department's dictum of "publish or perish," has pushed many promising teachers into becoming researchers in order to further—or in some cases, simply to continue—their careers.

This crisis in instruction is particularly noticeable in the sciences where a common complaint among undergraduates is that their professors do little more than appear at appointed times to dictate some notes, leaving "discussion sessions" (i.e., teaching and explanation) to graduate-student assistants of varied qualification and, often, marginal English fluency. In this area, government involvement is partially to blame: lucrative government research contracts and grants are a veritable magnet of incentive drawing professors away from the classroom and into the laboratory.

While the overall extent of the crisis may not be fully appreciated outside of academic circles (and indeed the philosophical crisis posed by relativism and deconstructionism in general is far more serious in the long run than the pragmatic crisis of culturally illiterate students or disinterested instructors), the sensational headlines of the past decade have aroused sufficient interest from society at large to bring the government into the scene. Former Education Secretary William J. Bennett, National Endowment for the Humanities Chairman Lynne V. Cheney, and other high-ranking public officials have certainly performed a yeoman's task in refocusing some attention away from short-term policy decisions to the long-term plight of the nation's schools. Nevertheless, some of the solutions they, or educators taking their cue from Washington, propose for the current malaise may be too utilitarian: illiberal education cannot be remedied by illiberal means.

II. Curriculum Centralization and Freedom of Choice

Most education critics would agree that the disintegration of the American academy began and continues to foment at the local level. In fact it can be argued that the leading educational crisis is that deconstructionists, feminists, and other academic special interest groups have become the dominant voices in many departments, forcing cowed administrators at individual institutions to grant concession after concession in the vain hope of avoiding

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public confrontation. To cite a particularly notable example, in 1988 a group of radical students occupied administrative offices at Stanford University and kicked off a series of protests that drew such national celebrities as Jesse Jackson to chant "Hey, hey, ho, ho, Western culture's gotta go!" and "We don't want to read any more dead white guys!"

What the protesters objected to was a sequence of core courses centered upon some of the great books of the Western tradition, including the Bible, Homer, Thucydides, Plato, St. Augustine, Dante, Thomas More, Machiavelli, Martin Luther, Galileo, and Locke. The faculty quickly capitulated and replaced the sequence with a course called "Culture, Ideas, and Values" that avoids any explicit Western orientation and requires instructors to "confront issues relating to class, ethnicity, race, religion, gender, and sexual orientation, and to include the study of works by women, minorities, and persons of color." Thus a subtle shift was executed wherein the criterion for inclusion in the course was altered from intrinsic merit (historical, literary, philosophical, etc.) to extrinsic quota-filling.

The Stanford case and others like it, such as the New York State "Curriculum of Inclusion" report, have prompted movements toward a centralization of curriculum. While Dr. Cheney no doubt never intended it to be, some have interpreted her 1989 report, *50 Hours: A Core Curriculum for College Students*, as a call for some sort of national standard or regulation of the educational curriculum of the country's schools.

Dr. Cheney's proposal of a required core of 16 semester-long courses—including six courses in "civilization and cultures," four in languages, and two each in mathematics, natural sciences, and social sciences—is, from the educational point of view, little more than minimalism, hardly amounting to a liberal education. Nevertheless, any sort of government-dictated standardized curriculum, no matter how nobly intended, is dangerously statist. While administrators such as Drs. Cheney and Bennett would hardly pose a challenge to a free, liberal education, there is no telling what might be the eventual ramifications of the precedent of Federally dictated curricula. Certainly few critics of contemporary academia would favor a Soviet-style education system where everything was dictated from an omnipotent Ministry of Higher Education.

A crucial part of the effort to restore the American academy must be choice in colleges and universities. And choice implies diversity. While these institutions face pressure from one side to all become little better than relativist think tanks, they also face tremendous pressure to all become liberal arts colleges. Neither is an acceptable option.

In the relatively free and pluralistic United States, students come from a variety of backgrounds and interests and have an even wider range of goals and plans. Excluding obviously deficient curricula and schools, students should be allowed to choose from a diversity of colleges and universities when they go off to school. There is a need for both philosophers and engineers, Chicago's and MIT's, and everything between in a pluralistic society.

In a free society, colleges and universities emerge in response to the various demands of education consumers. It might be, for example, that the economy requires both liberal arts and professional studies. Since education is a commodity in the market, each institution has to resolve for itself its own priorities in the matter. Consumers (parents and students) then have to decide whether they prefer an institution emphasizing one or the other characteristic. In the end, everyone benefits by getting that which gives him or her maximum utility.

III. Freedom of Choice and the End of the University

While many education analysts are willing to grant that there must be a necessary choice and diversity among different types of schools, fewer, it seems, are willing to be as tolerant within a given liberal arts college. Those to the left attempt to expunge from the liberal arts curriculum works they judge to be "insensitive, racist, sexist," and the like, and seek to replace them with a bewildering host of relativist courses in women's and minority studies. While those to the right are less guilty of such outright politicization, many of them exercise something short of tolerance toward differing viewpoints: few who describe themselves as conservative are to be found fighting for Karl Marx's inclusion in the curriculum although the importance of his thought in history is undisputed.

This leads to the question of the end of a col-

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lege or university education. Perhaps no more succinct articulation of the mission of collegiate education exists than the one given it by John Henry Newman in *The Idea of a University*. The 19th-century English cardinal acknowledged the pluralism of the modern university when he noted that "a university is a place of concourse whither students come from every quarter for every kind of knowledge."

Newman emphasized that the aim of higher education was thus to be the cultivation of the intellect for the intellect's sake. The liberal education was intended to open minds to the wealth of man's intellectual and cultural heritage. Through the study of works of literature, philosophy, theology, and polity, students are led to discover for themselves the nature of man and his place within the social and cosmic order. Rather than stifle academic dissent, Newman encouraged it: a university was meant to be a place where "an assemblage of learned men, zealous for their own sciences, and rivals of each other, are brought by familiar intercourse and for the sake of intellectual peace, to adjust together the claims and relations of their respective subjects of investigation."

Allowing for the freedom of each institution to determine its own philosophical and curricular policy, it would seem that the best recourse in the current academic debate over liberal education would be the liberal approach in the end: let there be free competition in the marketplace of ideas between the conflicting visions of education. If their opponents are as bad as each side claims, then the opposing sides should encourage closer study and discernment of each other, rather than sweeping them aside. Under such scrutiny, the shortcomings will be all the more evident to free minds. Instead of replacing St. Augustine with Kate Millett, radicals should have them read side by side to contrast their validity. Students can decide for themselves whether the *Confessions* or *Sexual Politics* speaks more to them of the realities of the human condition.

Some would claim that such educational freedom is inappropriate for impressionable young minds and that students aren't advanced enough in learning to discern what among the intellectual menu offered is important to internalize. While there is a certain validity to this, the classical liberal faith has always been that, in the end, the most efficient case—the truth—will prevail. While students at the University of North Carolina at Greensboro may get academic credit for following the Grateful Dead around, students at Stanford for picketing, and students at Dartmouth for observing the psychology of clothing, once they graduate, they will have to seek employment. And one suspects that a solid course of critical studies will serve the would-be professional much better than Activism 101. In any case, the speed with which students in Eastern Europe, when finally given a free choice, abandoned Karl Marx and Friedrich Engels for free market thinkers like Adam Smith and F. A. Hayek proves once and for all that a small amount of faith deposited in students is not misplaced.

IV. Some Other Liberal Solutions

The myriad crises of contemporary higher education—cultural illiteracy, curriculum devaluation, faculty indifference, and administrative weakness, among others—warrant thoughtful consideration by all who are concerned with the future of society. However, the pressing nature of the challenges facing liberal education in America doesn't justify the use of illiberal, though seemingly expedient, solutions. Force, whether state or ideological, cannot be used to achieve true academic reform, unless one is willing to sacrifice academic freedom of ideas.

The recovery of the academy requires first and foremost a moral commitment to the principles of liberalism. This includes the reaffirmation of the principles of free inquiry of ideas and freedom of choice in education as the only truly humane basis for the search for truth. This, in turn, leads to more concrete action. While some solutions are outlined above, a few more which deserve more extensive study in the coming years should also be considered.

Faculty members who have been vital in the deconstruction of the academy are also vital in its restoration. True scholars are needed to rebut some of the trendy "scholarship" of the tenured radicals in the nation's colleges and universities. These scholars must organize to defend the integrity and validity of the academy. In a free society, the battle for the academy must be fought on the field of ideas. A thought: instead of purging schools of radicals, why not let them continue in their positions, but remunerate them according to their success in attracting pupils? Inevitably, right

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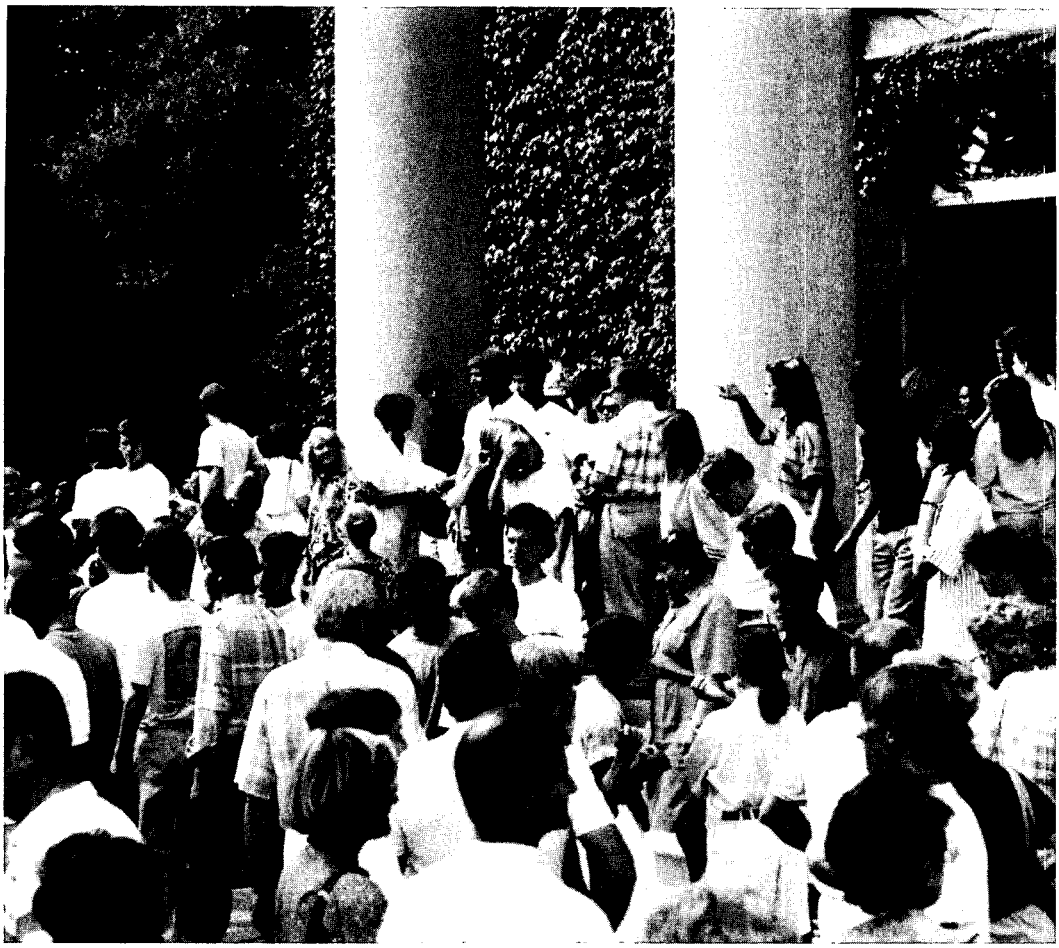

K. L. BRASFIELD

reasoning will triumph, and, without violence, these dons will be forced to fade into other areas of employment.

Students acting as educational consumers have tremendous power to effect educational reform. As more and more students abandon failed radical experiments in search of the truth and wisdom to be found through liberal education, schools will be jolted into positive action. Additionally, as the various independent student publications across the country—*Dartmouth Review*, *Chicago Crucible*, *Vassar Spectator*, *Northwestern Review*, *Carolina Critic*, et al.—have proven, student opinion does carry influence when it is reasonably articulated.

Alumni, parents, philanthropists, and other groups have a great deal of power over higher education, especially since they speak the language most understood by administrators—money. In a free society, one has a choice as to where he disposes his resources. If the financial wells of particularly bad schools begin to dry while those of true centers of liberal education swell, assuredly the colleges and universities will get the message.

V. Reconsidering Government's Role in Education

The discussion of the crisis in education, as with almost any discussion of problem-resolution in a statist society, must eventually turn to a consideration of government. All too often, reports of problems in the educational system prompt little more than calls for more government funding or increased monitoring of troubled programs, as the case seems to warrant. Implicit in such calls is the assumption that government should be actively involved in higher education. However, if American higher education is ever to be recovered, even such long-held propositions must be reconsidered.

Aside from "tradition" (and it is a relatively young one, dating substantively only to the Morrill Act of 1862), an argument appealing to inertial

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tendencies among some, there isn't a very convincing argument for government involvement in the ownership and operation of colleges and universities. On the economic level, these institutions are certainly no more efficient than private institutions. During the academic year 1985-86, for example, the average cost to educate one student at a state college or university was approximately $6,760, while the same figure for private colleges was $6,600. Few educators would venture to argue that the education received in most state schools or colleges was equal to—never mind $160 better than—that in private schools.

While it has been argued that state institutions often teach the technical skills necessary to keep up the country's competitive edge in the world economy (as opposed to usually more liberal arts-inclined private institutions), the statistics have belied such claims: over 60 percent of the professional degrees earned in America are awarded by private institutions, and, since World War II, most of the nation's physicians, scientists, and lawyers have been trained in the private sector.

In addition to its proprietary involvement in higher education, government is involved in a number of educational programs that include private institutions through its assorted funding programs. Many students receive assistance with their education from an alphabet soup of state and Federal aid programs: SEOG, Pell, NDSL, GSL, etc. While there is little doubt that these programs have helped a number of talented young scholars to receive training, there has been, as a consequence of the relatively easy access of these programs, little incentive to explore the possibilities of private sources of aid. And the potential for entanglement with the government leviathan—and the resulting loss of institutional freedom—that comes from the acceptance of public dollars is considerable, as demonstrated by the Grove City College case where participation in Federal assistance programs led, in part, to a government attempt to regulate unassisted athletic programs.

The question of government involvement with instructors, and hence curriculum, also needs investigation. While no concrete evidence of impropriety has yet been uncovered in the United States, the historical experience of other countries as well as analogous examples here should give some pause for thought. If allegedly independent thinkers, teachers, and researchers are receiving government assistance, then any claim to scholarly independence is forfeit. At best, it represents a market inefficiency: if there is a market demand for the work, the enterprising scholar can receive support for it from the private sector. At worst, it reduces academic freedom of inquiry from an undisputed right of the individual mind to a contractual item to be argued in courts of law.

Witness, for example, the recent limitation of freedom of expression for artists soliciting grants from the National Endowment for the Arts. Once funds are exchanged, the relationship between the state and the individual is altered from the government being an objective protector of rights to being an interested party with patronal rights of its own.

All in all, while the likelihood of anything close to a substantive state withdrawal from the education business any time soon is rather slim, the current malaise may serve to spark the debate in that direction. At least it should be an incentive to explore this question further.

VI. Conclusion

Liberal education is perhaps the most noble work of a free society. It aims not at proselytization or indoctrination, but at exposing the mind to the great wealth of diversity in the human experience, opening it to the full horizon of possibilities. In the end, it gives the freedom to discover and internalize truth, and the tools to do so. Yet never in history has this great work faced the assault it does today from within the academy. Nevertheless, in the battle for the hearts and minds of academia, it must never be forgotten that the end, liberal education, can never justify the means of illiberalism. Freedom of the mind cannot be bought by the slavery of the teacher. □

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Keynesian Budgets Threaten Recovery

by Hans F. Sennholz

The 1991 and 1992 Federal budgets alarm and dismay many economists. They are the very models of Keynesian budgets, calling for a sharp rise in Federal spending as an antidote for recession. They propose to boost Federal spending from $1.25 trillion in fiscal 1990 to $1.45 trillion in 1992, or 15 percent. If we add the expenditures of Desert Storm, which is merely listed as an $8 billion "placeholder" item for supplemental budget requests later in the year, total 1992 spending may exceed $1.5 trillion. As political budgets usually understate the spending totals, actual expenditures may approach $1.6 trillion.

Government expenditures of such magnitude are simply too big to be ignored or taken lightly. They are felt not only throughout the American economy but also all over the globe. After all, they may affect the value of the U.S. dollar which is the standard money of the world, used widely by governments, corporations, and individuals. U.S. government spending has pocketbook effects on all continents.

Federal legislators and administrators apparently cannot free themselves from the spell of Keynesianism. It has such a compelling attraction because it elevates to good economics the thing they like to do most—spend other people's money. Keynesianism permits administrators to yield to any and all spending pressures by Congress, and encourages them to take the lead in new spending initiatives. It confers respectability on political profligacy.

Unfortunately, government spending does not sustain, stimulate, or invigorate an economy. On the contrary, it diverts economic resources to many unproductive uses and thereby aggravates a recession. Boosts in spending allocate more resources to the ever-growing bureaucracy and the favorite recipients of Federal largess. This is why the Federal budgets may actually deepen and prolong the present recession.

The budgets propose higher expenditures on preschool education and preparation of low-income Americans for higher education. They seek more funds toward the reduction of illness and death from preventable diseases. They recommend a sizeable increase of Federal spending for research and development, with special emphasis on basic research, high performance computing, and energy research and development. They argue for more Federal spending on highways and bridges, on airports, the air traffic control system, and the exploration and use of space. They propose to spend more for the expansion and improvement of national parks, forests, wildlife refuges, and other public lands. They call for further increases in Federal spending on drug prevention, treatment, and law enforcement. They would substantially raise Federal outlays to help the Federal Bureau of Investigation fight crime, Federal prosecutors prosecute criminals, and the Federal prison system accommodate more convicts.

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To finance the additional spending of $194 billion, the budgets envision $133.7 billion in new tax receipts, user fees, and other collections; the $60.3 billion shortfall is added to the deficits estimated at $318.1 billion in 1991 and $280.9 billion in 1992. Altogether, they probably will exceed $600 billion.

The Seen and the Unseen

Yet despite such massive consumption of economic resources, nowhere do the budget documents reflect on the obvious reduction in economic well-being that Federal taxation and deficit spending inflict on their victims. Nowhere do they mention a $194 billion reduction in individual income that prevents people from spending money for preschool education and preparation for higher education, for the fight against illness and death from preventable diseases, for research and development, for drug prevention and treatment, and so on. *Government spending always is presented as a benefit without cost, a grand addition to the general welfare, a social achievement of the highest order.*

This popular view of government spending not only springs from the old predilection of politicians for spending other people's money but also draws support from man's natural inclination to prefer the seen over the unseen. Government largess is visible to all in the form of various benefits, lucrative contracts and privileges, and public buildings, many of which look like Greek temples built to the gods. What is not seen are the costs borne by millions of people who were forced to do without preschool and higher education, who no longer can afford medical services or purchase health and life insurance, who must forgo better housing and warmer clothing. The marble temples of politics which may last a thousand years are durable monuments to the supremacy of political power over individual freedom and economic prosperity. To a thoughtful person, they speak of onerous taxation and painful extractions that greatly aggravate the plight of the poor.

The Keynesian call for a sharp rise in Federal spending as an antidote for recession is neither thoughtful nor helpful; it completely misinterprets the causes and consequences of recession and, therefore, prescribes the wrong medicine. A recession is a time of readjustment and recovery when businessmen correct the mistakes made in the past and put their houses back in order. It is an integral part of a business cycle that begins with a boom, leads to a bust, and ends with recovery. If, for any reason, government prevents the readjustment or even promotes more maladjustment, it makes matters worse. In the end, the recession may turn into a deep depression, just like the Great Depression during the 1930s.

The present recession had its beginning during the 1980s when the Federal Reserve System, the monetary arm of the government, ignited a boom with numerous bursts of new money and credit. It helped finance Federal budget deficits of nearly $2 trillion, permitting the Federal debt to rise to $3 trillion, plus approximately $1 trillion in agency debt and off-budget guarantees. It rushed to the rescue of many governments of Third World and former Communist countries which incurred and now labor under $600 billion of foreign debt. The Fed kept alive hundreds of banks and S&Ls suffering in the vise of regulation and inflation. Helping to build large pyramids of junk-bond debt, it facilitated a great takeover game that enabled promoters and speculators to assume control over giant corporations. Banks amassed $700 billion in loans for mergers and acquisitions and another $700 billion in loans on real estate. The Fed even financed the rescue of various corporations and city governments chafing under heavy loads of political debt.

During the 1980s total debt nearly doubled to an estimated $12 trillion, much of which is of low quality. The growth of debt did not lead to economic growth; instead, it facilitated government handouts and corporate mergers, acquisitions, and leveraged buy-outs. It caused real estate and stock prices to rise dramatically, while economic output, according to the Tax Foundation, stagnated, and median average income after direct Federal taxation and inflation declined by 9.2 percent.

Recovering from Recession

A recession or depression is a cleansing affair that exposes mistakes and manipulations and calls for corrections and remedies. The present recession is the inevitable consequence of the mountains of unproductive debt that financed many ill-advised ventures and now weighs heavily on the debtors. It will end as soon as the debt burden has been reduced to a more bearable level. Debt relief may come through bankruptcy and rescheduling,

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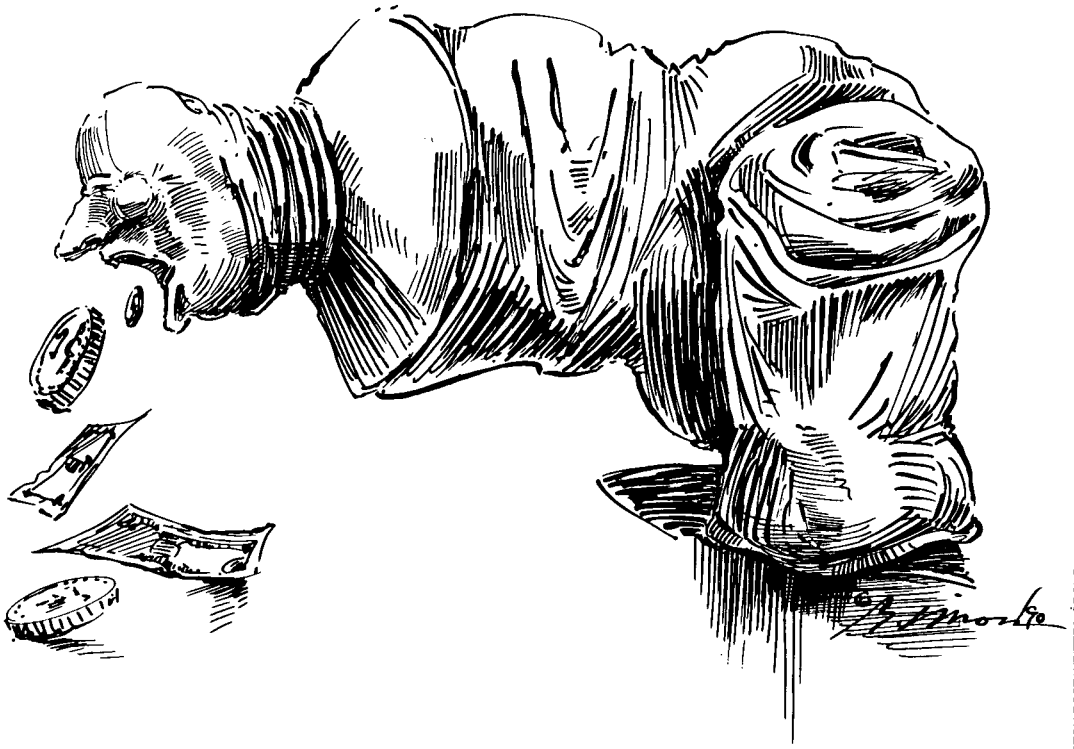

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write-offs, and pay-offs. The end may be in sight when falling interest rates signal not only a decline in lending risk, but also the arrival of new savings in the market.

Under the sway of Keynesian thought, many politicians and officials are determined to hasten recovery through deficit spending and money creation, which they call "contra-cyclical." Actually, their policies are "contra-recovery"; they aggravate and prolong the recession by consuming capital en masse, crowding out business, and depressing business activity. The currency and credit expansion falsely lowers interest rates, which again misleads businessmen in their investment decisions. In short, government deficit spending and money manipulation are the most potent recovery suppressors.

The present recession may prove this point. When Federal deficits are made to swell to unprecedented levels while the recession deepens and lingers on, the Keynesian model obviously fails to demonstrate economic reality. It misinterprets the causes of recession and, therefore, prescribes a wrong medicine, in fact, a very harmful medicine.

There are three types of people in the world. Some learn from their own mistakes—they are experienced and wise. Others learn from deliberation and observation of the experience of others—they are diligent and intelligent. The third type learns neither from their own experience nor the experience of others—it comprises the fools. The severity and length of the present recession will clearly reveal which type of legislator and administrator is holding forth in Washington. □

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A Report from the World of Suggestive Looks

by Jack Matthews

Recently I was sadly amused by a front-page story in the student newspaper of the university where I teach. This article featured the report of our Assistant Director of Affirmative Action in which sexual harassment of female faculty and administrators was found to be a serious and continuing problem on campus. Coming from an office whose existence depends upon a generally acknowledged perception of injustice, the findings of this report were not entirely unexpected; but they were nevertheless deserving of attention. And yet I will confess that my own attention wavered for a moment when I came to the following seemingly sober and responsible statement: the "report . . . showed that nearly 50 percent of 310 women . . . reported some form of sexual harassment on the job. Most of the cases involved unwanted sexual teasing and sexually suggestive looks."

Innocent readers could be easily misled by the statistical format of this assertion, but its premise is as vaporous as Dracula's blood pressure or the ghost of Bambi. Why? Because nothing can be *suggestive* unless there is someone to whom it is suggested. Therefore, a "sexually suggestive look" is the product of a judgment, and most sensible folks understand that judgments are not always and necessarily valid or well-founded. ("Sexual teasing" is subject to the same distrust; but it is not my concern in this piece, for reasons that will soon be clear.)

I don't question that sexual harassment exists; nor do I question that there is such a thing as a sexually suggestive look. Although if a sexually suggestive look is what I think it is, it is part of what we used to consider the pleasurably harmless game of flirtation played with equal enthusiasm by males and females. But that reactionary view has evidently been discredited, and I will confess the possibility that I myself, in my long life as an unrepentant heterosexual male, may have occasionally fallen into weakness and sin by emitting a sexually suggestive look. Even though I'm still not entirely sure of what that is, it sounds like the sort of thing I might have done at one time or another.

If I have upon occasion been guilty, however, I have also been innocently wronged. Let me give an example. Recently I was driving alone in my car on campus—which is really a small city, as are most university campuses today—and I stopped for a traffic light that turned red just in time to catch me. I had my radio tuned to the university station, and I was listening to a politician from Colorado talking about his home state. I can't remember the context, but for some reason he was explaining how frolicsome, outdoorsy, and danger-loving a great number of the populace of Colorado are. Then he told a story he'd heard to demonstrate this fact.

This story was about a parachutist, a male, who had one day made three successful jumps; and then, on his fourth jump, his chute failed to open. He was experienced, however, and pulled the rip cord of his emergency chute; but it failed, also. By now he was falling at maximum rate and understandably concerned. Suddenly, he was surprised to see another man traveling in the opposite direction. "Do you know anything about parachutes?"

Jack Matthews' latest books are Dirty Tricks, *a volume of stories with Johns Hopkins, and* Memoirs of a Bookman, *bibliophilic essays with Ohio University Press, Athens. He also writes plays and collects old and rare books.*

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he cried out. "No," the other man answered, "what do you know about camp stoves?"

I thought this was so funny that I laughed out loud, even though I was sitting there all alone in my car waiting for the light to change. Unfortunately, the very instant I laughed, I happened to look up directly into the eyes of a young woman jogging bouncily across the street in front of my car. When her gaze met mine, her expression changed and she positively *glowered* at me. In fact, she kept glowering for two or three strides as she progressed (she had stopped jogging the instant I looked at her), so that her gaze didn't leave my no-doubt fatuously grinning face. As best I could determine, her expression was defiantly indignant and self-righteous, verging upon outrage.

And yet, I am aware that describing her expression in such terms—no matter how unmistakable it seemed to me—is open to question. I am aware that this is only my *impression* of her expression, for it's possible that this young woman had just twisted her ankle the instant she glanced up to see what she interpreted as a sexist smirk on my face. Or maybe, out of the blue, the thought of mid-terms came to her. Or she may have been myopic, and was frowning into the windshield to see if I was her Uncle Phil from Shaker Heights.

But, do you see, this is the point I want to make. I don't think my version of that little episode should enter the world of statistics anywhere. The suggestive aspect of the look she gave me—the look that suggested to me that she thought I was beaming a sexually suggestive look at her—might have existed in my head alone, and not hers. Because of this, I know that my impression has no more place in the world of statistics than it does in next year's Federal budget. My story should be appreciated only for what it is, an honest report by one sadly limited human being who, through no perceptible fault of his own, happens to be a man . . . and happened upon one occasion to hear an unexpected joke and found it so funny he broke out laughing.

Do you sense the moral in my story? I hope so. But to tell you the truth, I can't be sure anybody will understand what I have just written as I intended it. There are some people, I'm certain, who will find it ineffably offensive. These people seem to me so inflexibly self-righteous, narrow, and bigoted that rational discussion is forever closed to them and a sense of humor is an obscenity they cannot abide. I believe that I could further define and describe these people, and I don't think they are all professionally connected with Affirmative Action issues—some of whose programs are no doubt wisely and judiciously governed and some of whose principles I agree with generally, affirmatively and, yes, when the wind is right, maybe even actively.

Nevertheless, these people are out there in the real world and we have to live with them. All I can do at the moment is hope that the moral of my report will be evident to everyone, and hope that all of us try to clear our heads of cant. Wouldn't it be wonderful if this happened, and we really *did* learn to distinguish between the different sorts of signals emitted by sexually suggestive looks and, say, traffic lights? And wouldn't we be wiser and happier if we were careful to distinguish clearly between judgments and facts? And wouldn't it be wonderful if we could somehow learn to "feel good about ourselves"—as the gummier TV ads keep prompting their viewers—without feeling nasty about others? Even if they're men? Or, indeed, women? □

From Samuel Johnson's *Dictionary*:

cant. (1) A corrupt dialect used by beggars and vagabonds.

(2) A particular form of speaking peculiar to some class or body of men.

(3) A whining pretension to goodness, in formal and affected terms.

(4) Barbarous jargon. . . .

(1755)

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Tyranny—From the East to the West

by Tibor R. Machan

In the late 1950s I was a boy in Hungary, living in Budapest and experiencing the impact of tyranny on my elementary education. It consisted, mainly, of compulsory uniformity. All schools had to teach the same topics, from the same books, without any leeway for individual students' needs, aptitudes, or interests. The entire experience was a nightmare. Teachers were dismissed for the slightest departure from official strictures.

One experience stands out for me. We were being indoctrinated—for you cannot call it being educated—with the famous line from Karl Marx, "From each according to his abilities, to each according to his needs." As the teacher explained how important it was to etch this idea in our minds, I raised my hand and asked, "If two people started with the same resources but one drank himself silly while the other produced a useful product, did they have to share the benefits of the latter's work?" I was summarily dismissed from my class and reassigned to a construction trade school.

During the last few years, the Eastern bloc has experienced a serious measure of liberation. The uniformity of Communist state indoctrination has gradually given way to a more liberal, pluralistic education for most students. Some Soviet schools are experimenting with Western-style education for even the youngest pupils. They have begun to adopt unique educational methods they have discovered at Montclair State College in New Jersey, which has an experimental program to teach philosophy to children starting at the age of 6. The techniques of critical, independent thinking are being imparted to youngsters so they can begin to evaluate what others say, to carve their own intellectual paths.

I am not certain how effective such education can be—Aristotle believed that people under 40 can't engage in philosophical thinking. But at least some introduction to critical reasoning and evaluation may generate independent thought for those exposed to such educational methods. And now some educators from the Soviet Union are experimenting with this.

Ironically, at the same time Eastern Europe is transforming itself toward a more liberal social order, the opposite seems to be happening on some of America's college campuses. Reports from Tulane, Smith, Harvard, Rutgers, and the University of Northern Colorado, to name just a few, indicate that faculty and students alike are moving closer to demanding a uniform approach to teaching. Even private conversations are monitored on these campuses, and it is demanded that these conform to "politically correct" language. Teachers and students are being told that they may not speak in ways that indicate wrong thinking—in one case at the University of Pennsylvania, a college administrator deemed the word "individual" in an undergraduate's memo to be inappropriate because he considered it a sign of racism!

What's happening here? While in Eastern Europe, South Africa, China, and Latin America the winds of pluralism are blowing, in recognition of the fact that individuals have different needs, aspirations, and talents, in the United States, many intellectuals in powerful administrative and political positions are mandating uniformity along lines reminiscent of the crudest forms of Marxism-

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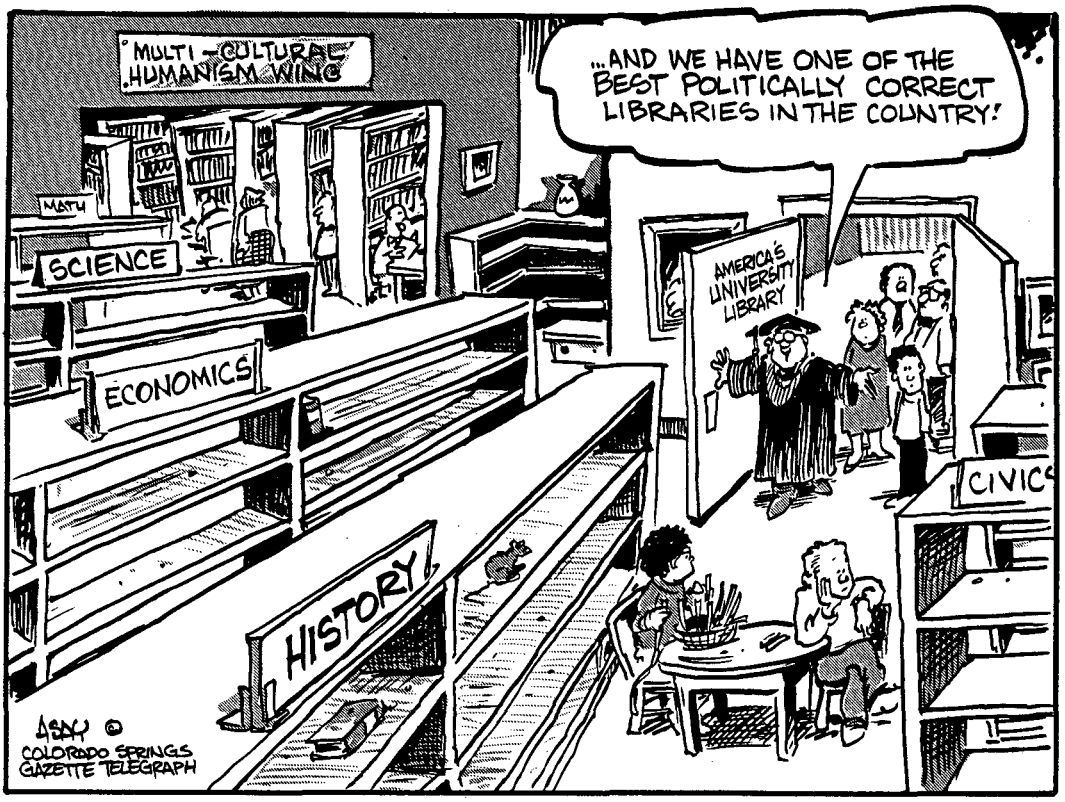

Leninism. And if you protest that this is tyranny, your remarks are deemed self-incriminating. Even to question the new demands for mandated uniformity of speech is to invite the accusation that you have subconscious tendencies toward racism, sexism, and all manner of other intolerable social indecencies.

Karl Marx argued that for socialism to arrive, first a society must experience democratic capitalism. The workers will then vote in socialism when the time comes. In Eastern Europe it has been discovered that socialism needs to be imposed by commissars and dictators. Such a political economy just isn't suited to human beings, and the Marxian idea that they—or at least "the workers"—will embrace it voluntarily has turned out to be a myth.

In America also we are discovering that it isn't "the workers" or "the people," but rather many of the privileged intellectuals who demand that we become fully collectivized, made uniform in conduct and speech. Since such a social life is inherently anti-human, it is no surprise that its champions have to implement it by the threat of force.

Nor is it much of a surprise that some of those now embarking on such measures used to be advocates of free speech. At one time, when they lacked power, they defended their anti-individualist propaganda as fully protected by the First Amendment. Yet, as many critics remarked at the time, they never defended individual freedom —including freedom of speech—for anything other than strategic purposes. Once they gained some measure of power, they showed their hands by denouncing liberty as a bourgeois bias and proceeded to try to impose their "politically correct" vision of human behavior.

For me it is very sad, not to mention frightening, to see that the country to which I escaped from collectivist tyranny is now experiencing the ominous winds of collectivist uniformitarianism. I only hope that it goes no further than the peculiar and unreal regions of American university life. But I am afraid that such hope may be futile. □

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Elephants and Ivory

by Elizabeth Larson

When government officials arrived in Lausanne, Switzerland, for the biannual meeting of the Convention on International Trade in Endangered Species in October 1989, they wanted to save Africa's elephants from extinction. They voted to end the ivory trade. Unfortunately, an ivory trade ban may be as good as a death warrant for Africa's elephants.

The delegates supporting the ivory trade ban argued that it would eliminate the ivory market. Without a market for ivory, they say, poachers would be out of business. But opponents of the ban maintain that banning ivory will simply create a black market for elephant products, encouraging poachers to find new ways to beat the system and profit from elephants.

Zimbabwe is taking a stand against the "made in Switzerland" solution to dwindling elephant populations by promoting trade in ivory. Botswana, Zambia, Malawi, Namibia, and South Africa have joined Zimbabwe's elephant management program, which has a 10-year record of success. Banning ivory is the surest road to extinction for the African elephant, argue leaders in those countries. They believe the villagers can do more to protect the elephants and ensure the longevity of the species than costly centralized government programs can.

If statistics are any indication, the communal management programs in those countries are succeeding—the numbers of elephants in those countries have increased 40 percent in the last decade.

Much of the elephant debate centers on whether the species is really in danger of extinction. Elephant herds in many sections of Africa have been shrinking drastically. The total number of African elephants has fallen from 1.3 million in 1979 to 750,000 today—a fact no one on either side of the ivory issue denies. Yet African elephants don't live in a single gigantic herd. Hundreds of herds, each numbering several thousand elephants, are scattered across the African continent. While populations of some herds declined during the 1980s, populations of other herds doubled.

"Zimbabwe does not consider the African elephant an endangered species," Thomas Bvuma, an official at the Zimbabwean embassy, said in a July 1990 interview. Individual herds are in trouble, but the species as a whole is not about to disappear, he said. It can hardly be a coincidence that political borders, not natural ones, delineate which areas are experiencing rapidly dwindling elephant populations and which are not, Bvuma pointed out.

Simply totaling the population figures from all countries home to the African elephant can be misleading. In fact, elephant populations in Zimbabwe and surrounding regions are not only growing in numbers, but are doing so at close to the maximum 7-percent-a-year reproduction rate for the species. What are the Zimbabweans doing to eliminate poaching and ensure the survival of their elephants?

Agriculture in Zimbabwe has long been managed by the individual farmer—now the elephants are too. The ranks of Zimbabwe's government are filled with Soviet military advisers, yet the coun-

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try's Marxist leader, Robert Mugabe, recognizes property rights in wildlife as well as in land. When Mugabe transferred the responsibility for elephants from government and wildlife agencies to the farmers and herdsmen on whose land the elephants live, the elephant population in Zimbabwe grew by 5 percent a year, according to Zimbabwe's Department of Wildlife.

Farmers and herdsmen in Zimbabwe own the elephants roaming on their lands. If a big-game hunter wants to shoot an elephant in Zimbabwe, he buys a permit from a nearby village. This costs him some $25,000. There is no middle man. The permit fee goes directly to the villagers selling him the right to hunt an elephant. The schools, medical clinics, roads, and fences built with the funds benefit everyone in the community. The hunters —by giving the rural Zimbabweans a reason to consider the elephants creatures of value instead of dangerous pests—play a vital role in Zimbabwe's elephant management program.

Today Zimbabwe's problem is too many elephants. At last count there were at least 5,000 more elephants in Zimbabwe than the country's wilderness can sustain. Wildlife Service officials in Zimbabwe are forced to cull about 5,000 to 7,000 elephants every year or the animals will eat themselves out of house and home.

If the Kenyan government weren't averse to applying economic incentives to protect its wildlife, it could buy Zimbabwe's excess elephants to replenish Kenya's disappearing herds. Kenya's President Daniel arap Moi faces a future where elephants will be wiped out in his country by 2005.

A vocal supporter of the ivory ban, Kenya has been a de facto one-party state since independence in 1963. Moi holds fast to the trappings of socialism: despite Kenya's pretensions to democracy (voters must publicly line up behind photos of their candidates during "elections"), the U.S. State Department's *Country Reports on Human Rights Practices* reports political killings and torture and police brutality every year—events unlikely to appear in tourist brochures or pamphlets from wildlife conservation groups advocating Kenya's wildlife management policy. The wildlife in Kenya is as regulated as the citizens, and a no-questions-asked tribunal (poachers are shot on sight) is the rule of the savannah.

"The Kenyan government manages their elephants the way the East Germans tried to manage their economy: with armed guards, electric fences, and central planning. The result is a sad cycle of blame-passing and demands for greater control. Meanwhile, elephants die," explains Fred Smith, president of the Competitive Enterprise Institute, a free-market advocacy group.

The grasslands of Kenya are a virtual war zone between government game wardens attacking by jeep and poachers with automatic weapons stealing in on foot. Kenyan newspapers report that a Western tourist was shot and injured in the cross fire. Despite Moi's all-out efforts to subdue the poachers, Kenya's elephant population has fallen by 75 percent since 1981, according to statistics published by the World Wildlife Fund, a leader in supporting the ivory trade ban. Tanzania and other central and eastern African countries recorded similar drops in their elephant populations.

"Property of the People"

Moi, who was recently re-elected without opposition for his third five-year term, considers elephants roaming on Kenyan soil the "property of the people." Kenyans "own" the elephants as part of their national and cultural heritage—just as all Americans "own" the bald eagles. Yet symbolic ownership is not the same as legal ownership. Kenyans have no daily incentive to act responsibly toward the elephants because they don't own them in the legal sense the Zimbabweans do. When something is said to be owned by everyone, it is owned by no one. And what no one owns, no one considers his responsibility.

Advocates of the ivory ban don't dispute the statistics indicating that countries supporting trade in ivory are also seeing a rise in their elephant populations.

"We recognize that the status of the elephant is not the same everywhere in Africa," said Michael Sutton of the World Wildlife Fund in an interview last summer. The U.S. government "agrees that the elephants' situation is not identical throughout Africa," but argues that, nonetheless, the only way to solve the problem of the shrinking elephant herds is an "across-the-board ban," according to an official at the Fish and Wildlife Service. "We felt the only responsible thing to do was to say 'no' to all ivory," he said.

Across-the-board bans on trade in rhinoceros and sea turtle products have done nothing to pre-

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"Banning trade in ivory does not address the pressing problem of rural communities competing with wildlife for increasingly scarce land and resources."

vent a flourishing black market in powdered rhino horn and other products. Nor have those trade bans given the people who live in the animals' environment the incentives to protect them. Yet even if the ivory ban did eliminate the world market for ivory, that would solve only half the problem.

At 3 percent, Africa has the highest human population growth rate in the world. Elephants in many sections of the continent are reproducing even more quickly. Today there are 500 million people in Africa, and 80 to 90 percent of them live in rural agrarian communities. The carrying capacity of the African wilderness is already at its limit in many areas, according to a report from the Zimbabwe Department of Wildlife. Life on the savannah is becoming an almost daily struggle between man and beast.

Stampeding elephants are destructive. A farmer's first reaction when he sees an elephant marauding through his newly planted field is to go after it with a gun—unless he knows the elephant might bring him and his neighbors several thousand dollars from a trophy permit. Making elephants valuable gives farmers and rural villagers a reason to figure out how to share their lands with the otherwise troublesome animals. "We are living where elephants are nuisances. Surely as soon as you remove those [economic] benefits and the elephants destroy a village, the peasants are going to kill them. You don't even need poachers to kill the elephants," Bvuma said. Banning trade in ivory does not address the pressing problem of rural communities competing with wildlife for increasingly scarce land and resources.

Farmers and herdsmen in "southern African countries should not have to suffer because their neighboring governments to the north and east cannot keep their animals alive," Thabo Yalala, an official at the Botswana embassy, said in a 1990 interview.

The 36 African countries where elephants roam are among the poorest in the world: the 1988 per capita GNP in 21 of those countries was below $500, according to the World Wildlife Fund. In poor countries poaching is a tempting alternative to farming the arid soil or protecting animals on game reserves and national parks. The average Kenyan earns $20 a month; rangers at Tsavo National Park in Kenya earn about $50 a month. But poachers rake in many times as much from a single day's kill. One elephant tusk brings in hundreds of dollars, and hides from the animals are almost as valuable. Profit far outweighs the poacher's chances of being shot on sight, as is law and common practice in most of Africa.

In Zimbabwe, villagers have a vested interest in the long-term well-being of their elephants. It wouldn't make economic sense for rural Zimbabweans to supplement their incomes by poaching. Today poaching in Zimbabwe is "minimal, almost non-existent," since the program was put into effect, according to Bvuma. Poaching in his country dropped by over 90 percent when Mugabe gave the villagers stewardship of the elephants. Meanwhile, poachers in Kenya kill 300 elephants a day.

Had Zimbabwe's delegates to the 1989 Convention on International Trade in Endangered Species signed the ivory ban, they would have undermined the rural villagers' incentive to share their land with the elephants. By giving economic incentives to rural farmers and herdsmen, Mugabe created an effective stewardship relationship between nature and man. The "made in Switzerland" solution may have won kudos from armchair conservationists, but the clock is running out for elephants living outside the "made in Zimbabwe" wildlife management programs. □

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Government Is Strangling Transit

by John Semmens

Publicly owned and operated transit has been a colossal failure. Billions of taxpayer dollars have been frittered away with little or nothing to show for it.

In 1964, the year the Urban Mass Transportation Administration was created by Congress, eight billion trips were taken on urban transit carriers. Twenty-seven years later, public transit ridership is still eight billion trips. This total lack of progress hasn't been without cost. Since 1964 the federal government has squandered over $35 billion on public transit. State and local governments have tossed in another $30 billion.

Despite this sorry record, many urban politicians are eager to build new rail systems, which will typically cost more than $50 million per mile to construct. The outlays will likely have even less impact on urban mobility than what already has been spent over the last two-and-a-half decades.

Transit policy has failed to adjust to changing urban needs. Most forms of transportation originated over 50 years ago. Fixed-route bus and train transit flourished from the 1920s through the 1940s, but have been in decline ever since. Total ridership and market share peaked in 1945 at 23 billion passengers and 32 percent of urban trips. The current eight billion annual trips amounts to a market share of only 2 percent.

A major factor in the decline of public transit has been the nation's growing prosperity. Rising personal income changes people's living habits. They move away from the high-density neighborhoods served by traditional transit. They buy cars. They acquire a taste for convenience. Walking to a bus stop, waiting in a train station, fighting crowds for a seat, and worrying about missing the last departure are all inconveniences that modern urban travelers prefer to avoid.

Yet these inconveniences are the trademark of public transit. Instead of developing ways to reduce such inconveniences, transit policy has entrenched them through regulatory barriers and below-cost subsidized pricing.

Most urban areas prohibit unauthorized transit operations. Certificates of public convenience and necessity are required before a new transit service can be offered. Typically, the would-be provider of new services must prove they are needed and that they cannot be furnished by existing operators. The low-load factors, excess capacity, and deficits exhibited by existing operators usually are enough to secure regulatory rejection of any newly proposed service.

A semi-fixed route, jitney-type service might be able to offer passengers reduced walking and waiting while providing shorter transit times. Unfortunately, this type of service has been suppressed by regulatory policy. A rationale of "preserving the distinctions" among modes of travel relegates the options to cheap-but-slow buses and trains versus fast-but-expensive taxis.

Preserving such distinctions is clearly out of step with the times. For example, with convenience at a premium, "one-stop" shopping centers have proliferated. Merchants seek to provide better service by shedding some distinctions. Many food stores now sell drugs, while many drugstores sell food. The fading distinction

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between these stores is a rational response to changing consumer needs. There is no reason why transportation should be exempt from this phenomenon.

Private autos now account for nearly 95 percent of urban trips, while public transit provides only 2 percent. In protecting this 2 percent from new competition, regulatory policy prevents public transit from competing effectively with the automobile.

Transit alternatives and innovations not killed by regulatory means are likely to be undermined by subsidized competition. Government funding permits below-cost, predatory pricing of publicly operated transit. To be price competitive, private sector competitors would have to operate at one-third the cost of public-sector transit.

Rather than continue to waste large sums in an effort to perpetuate inconvenient and unpopular forms of public transit, we should be moving toward a market system of transportation. Instead of jealously guarding the edifice of publicly owned transit, we should be deregulating and privatizing transportation.

Deregulation will open the way for new competitors. Intermediate forms of transportation such as jitneys or shared-ride taxis could offer a more convenient option for many travelers. The legalization of for-profit car pooling could enormously expand the capacity and flexibility of urban transit. With more carriers available, more people might be willing to leave their cars at home.

Locating and structuring transit stops to accommodate buses, jitneys, taxis, and car pools could help revitalize the system. In this respect, transit operators can learn from shopping malls, which provide common locations for competing businesses. The availability of many stores attracts more customers than if each merchant tried to go it alone.

The elimination of government subsidies would promote greater efficiency and encourage more entrepreneurs to enter the field. For example, rather than losing a billion dollars a year, the New York City subway system could be turned into a profitable business. A study performed for the Metropolitan Transit Authority a few years ago revealed that the subways could show a profit if fares were doubled. How much more could be accomplished if the excessive wage rates prevailing in public transit were trimmed to reflect market conditions?

The few examples of privately run subscription buses in urban regions indicate that commuter service can be provided at up to 50 percent less than the cost of publicly owned transit. This implies that privatization of municipal bus systems would yield more cost-effective results.

The argument that government ownership is needed because of market failure is nonsense. The market has been suppressed by government regulation and subsidies.

Government doesn't have to own and operate transit in order to promote urban mobility. In fact, the evidence indicates that government ownership retards such mobility. □

IDEAS ON LIBERTY

The Facts Have Spoken

How little the management of the New York City subways is touched by the spirit of business was proved a short time ago when it triumphantly announced economies made by cutting down services. While all private enterprises in the country compete with one another in improving and expanding services, the municipality of New York is proud of cutting them down!

When economists clearly demonstrated the reasons why socialism cannot work, the statists and interventionists arrogantly proclaimed their contempt for mere theory. "Let the facts speak for themselves; not economics books, only experience counts." Now the facts have spoken.

—Ludwig von Mises
writing in 1953

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Hitting the Phantom Curve

by Donald G. Smith

My son developed an interest in sports at an early age. As I recall, he was throwing a ball in the playpen while ignoring his stuffed animals. A born competitor, he grew up seeing me as a batting practice pitcher and punt return man as much as a father, and our blood bond was forged in the fires of competition.

A most important plank in our relationship evolved from the phantom curve, a rather clever bit of chicanery that I sold to him as the "unhittable pitch." I had used it in my playing days with the Dakota All-Stars, but only sparingly because I was acutely aware that this weapon could ruin the game of baseball. I jealously guarded my awesome secret and refused to teach the pitch to anyone else. As a player I had used it only in crucial situations and threw it no more than three or four times a game. As the story went, no batter ever came close to hitting the phantom curve.

As I said, my son was a competitor, and he was determined to hit the unhittable pitch, but of course he never did. When he hit the ball, he would look hopefully at me and ask if that was the phantom curve. The answer was always negative, but when he swung and missed, we had a different story. *That* was the phantom curve.

He was about eight when he finally saw through the whole charade, realizing that he couldn't win because I was calling the shots. I alone decided what was, and what was not, this remarkable pitch. The whole thing was rigged, and he was the victim of a bit of deceit from a man with questionable pitching skills and an active imagination.

I recalled the phantom curve recently when I heard yet another speaker castigating the federal government for its "inadequate efforts" in dealing with AIDS and the homeless problem. The simple truth is that efforts to date have been far too ambitious because neither matter is the government's business, but that is another issue. The point to be addressed here is in the area of problem solving. The speaker, and all people of like mind, see the federal government as a problem-solving institution, a place in which bureaus and departments are established to deal with social problems. Then, presumably, the problems go away and humanity takes a giant step forward.

It is another case of the phantom-curve deception because the whole thing is rigged from the outset and no batter will ever make contact. People who are awarded desirable government jobs, with all attendant perks, don't work their jobs out of existence. This is a universal law of human nature and shouldn't be all that difficult to comprehend. These people don't solve; they regulate. Solution is terminal, and regulation is forever.

This is not intended as a put-down of government workers, because they are human and they react as humans react. Not being entirely pure of heart, I would do the same thing if given a plush office with commensurate salary, medical coverage, a fat pension plan, a government car, and all kinds of business to conduct in Paris and the

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SUNRISE/TRINITY PHOTOS

Bahamas. The problem is not the people, but the system—a system that makes problem-solving the kiss of death and problem-perpetuation a one-way ticket to the good life.

This is something that our self-appointed humanitarians don't understand. Government doesn't cure diseases, and it doesn't make the indigent disappear. It doesn't make the deserts bloom, the blind see, nor the lame walk. This is not why we have government.

It is interesting to note that since Lyndon Johnson offered to cure all our social ills with the Great Society, we have spent more than a trillion dollars trying to turn the federal government into the Magic Kingdom, and it hasn't even come close to working. We have added five cabinet-level departments, all devoted to some kind of social betterment, and this has resulted in nothing more than jobs for people who regulate this massive wheel-spinning operation.

All of this leads us back to the phantom curve, the unhittable pitch. Whenever I hear of a new Federal agency created to solve a social problem, I think of a seven-year-old boy, digging in at the plate and mustering all his skills and determination to do something that couldn't be done, simply because the man who controlled the game wouldn't let it be done. There is, however, one major difference. The little boy figured it out and went on to more constructive things. People who should know better are still up there swinging a bat. □

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Biblical Roots of American Liberty

by Edmund A. Opitz

The First Amendment to the Constitution forbids Congress to set up an official church; there was to be no "Church of the United States" as a branch of this country's government. Such an alliance between Church and State is what "establishment" means. An established church is a politico-ecclesiastical structure that receives support from tax monies, advances its program by political means, and penalizes dissent. Our Constitution renounces such arrangements *in toto*; the Founders wrote the First Amendment into the Constitution to prevent them.

The famed American jurist Joseph Story, who served on the Supreme Court from 1811 till 1845, and is noted for his great *Commentaries on the Constitution of the United States*, had this to say about the First Amendment: "The real object of the Amendment was, not to countenance, much less advance Mahometanism, or Judaism, or infidelity, by prostrating Christianity; but to exclude all rivalry among Christian sects, and to prevent any *national* ecclesiastical establishment, which should give to an hierarchy the exclusive patronage of the national government."

The various theologies, doctrines, and creeds found in this country can thus be advanced by religious means only—by reason, persuasion, and example. Separation of Church and State means that government maintains a neutral stance toward our three biblically based religions—Catholicism, Judaism, and Protestantism, as well as toward the various denominations and splinter groups. These several religious bodies, then, have no alternative but to compete for converts in the marketplace of ideas. This is a good arrangement, good for both Church and State; it avoids the twin evils of a politicized religion and a divinized politics.

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A Christian Nation

It has often been observed that America is a Christian nation—around which observation several misunderstandings cluster. We are a Christian nation in the sense that our understanding of human nature and destiny, the purpose of individual life, our convictions about right and wrong, our norms, emerged out of the religion of Christendom—not out of Buddhism, Confucianism, or primitive animism. And it is a fact of history that our forebears whose religious convictions brought them to these shores in the 17th and 18th centuries sought to create in this new world a biblically based Christian commonwealth. But it was not to be a theocracy—of which the world had seen too many! It was to be a religious society, but one which incorporated a *secular* political order!

The reasoning ran something like this. The human person is forever; each man and woman lives in the here and now, and also in the hereafter. Here, we are pilgrims for three score years and ten, more or less. Life here is vitally important for it's a test run for life hereafter. Earth is the training ground for life eternal. Such training is the essence

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of religion, and it's much too important to be entrusted to any secular agency. But there *is* a role for government; government should maintain the peace of society and protect equal rights to life, liberty, and property. This maximizes liberty, and in a free social order men and women have maximum opportunity to order their souls aright.

Separating the sacred and the secular in this fashion is a new idea in world history. Secularize government and you deprive it of the perennial temptation of governments to offer salvation by political contrivances. By the same token, things sacred are privatized as free churches, where the spiritual concerns of men and women are advanced by spiritual means only.

So, when it is said that America is a Christian nation, the implication intended is poles apart from what is meant when it is observed, for example, that Iran is a Shiite nation. The Shiite sect of Islam is a branch of the government of Iran. Other religions are not tolerated. Deviations from doctrinal orthodoxy are forbidden. The government punishes infidels because Shiism is Iran's official, authorized church. From time to time government uses the sword to gain converts. The government of Iran is not neutral with respect to religion.

In the United States, it is mandated that the government maintain a level playing field, so to speak, "a free field and no favor," where freely choosing individuals find their different pathways to God while government merely keeps the peace. This is what is really meant by the phrase, "Separation of Church and State." This oft-quoted phrase is frequently misunderstood as suggesting that religion and politics are incompatible, and that we should keep religion out of politics.

If we think of "politics" as several candidates wheeling, dealing, and slugging it out in an election campaign, it's clear that religion doesn't have a significant role in such a situation. And if we think of "religion" in terms of a contemplative meditating and praying in his cell, it's obvious that politics is absent. But there is no coherent political philosophy apart from a foundation of religious axioms and premises.

Religion and the Social Order

Religion, at its fundamental level, offers a set of postulates about the universe and man's place therein, including a theory of human nature, its origin, its potentials, and its destination. Religion deals with the meaning and purpose of life, with man's chief good, and the meaning of right and wrong. Thus, religious axioms and premises provide the basic materials political philosophy works with. The political theorist must assume that men and women are thus and so, before he can figure out what sort of social and legal arrangements provide the fittest habitat for such creatures as we humans are. So, some religion lies at the base of every social order.

It is the religion of dialectical materialism that is the take-off point for the Marxian theory and practice of the total state. Hinduism is basic to the structures of Indian society. Western society, Christendom, was shaped and molded by Christianity. Incorporated into Western civilization were elements from the Bible, as well as ingredients from Greece and Rome. This composite was lived, worked over, and thought out for nearly 1,800 years by the peoples of Europe. And then something new emerged and began to take root in the New World; it was the recovery of that part of the Christian story needed to ransom society from despotism and erect the structures of a free society wherein men and women might enjoy their birthright of economic and political liberty.

A vision emerged of a society where men and women would be free to pursue their personal goals, unimpeded by the fetters of rank, privilege, caste, or estate that had hitherto consigned people to roles determined by custom and command, not by their own choice.

The people who settled these shores during the 17th and 18th centuries were children of the Reformation driven by their need to worship God as it pleased them, according to their own wisdom and conscience. Believing that God had entered into a covenant with His people, they freely covenanted together to form churches. This was later called "the gathered church idea," seemingly endorsed by Jesus Himself in Matthew 18:20: "Where two or three are gathered together in my name, there am I in the midst of them."

The local New England church in the Puritan period had full ecclesiastical authority to ordain its minister and appoint deacons and elders. Its minister could celebrate communion, perform christenings, baptisms, and marriages, and conduct funerals—all on the authority of the local church. Each church was in voluntary fellowship with oth-

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er churches, but in authority over none. The covenant pattern of the early New England churches was the paradigm for the federalist political structure erected two centuries ago. The West was moving from status to contract, as Sir Henry Maine would observe in 1861.

This concern for individual liberty in society was not limited to theologians. Tom Paine generally took a critical stance when dealing with religion and the church, but in 1775 in an essay entitled "Thoughts on Defensive War" he wrote as follows: "In the barbarous ages of the world, men in general had no liberty. The strong governed the weak at will; 'till the coming of Christ there was no such thing as political freedom in any part of the world. . . . The Romans held the world in slavery and were themselves slaves of their emperors. . . . Wherefore political as well as spiritual freedom is the gift of God through Christ." And Edward Gibbon, so critical of the Church in his history of Rome, nevertheless pays tribute to ". . . those benevolent principles of Christianity, which inculcate the natural freedom of mankind."

Our forebears of a couple of centuries ago regarded human freedom as a religious imperative. They loved to quote such biblical texts as: "Where the Spirit of the Lord is, there is liberty," (2 Cor. 3:17) and "Proclaim liberty throughout all the land to all the inhabitants thereof." (Lev. 25:10) They struggled for freedom of worship; they fought for the right to speak their minds, and for a free press to put their convictions into written form. They also had firm convictions about private property. The popular slogan of the time was "Life, Liberty, and Property!" Property meant the right of private ownership. Adam Smith and his *Wealth of Nations* came along at just the right time—with what Smith called his "liberal plan of liberty, equality and justice"—to become the economic counterpart of the political ideas of the Declaration of Independence.

The Importance of the Individual

The central doctrine of the American political system is our belief in the inviolability of the individual man or woman. This is one of the self-evident truths enunciated in the Declaration of Independence: "We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness." The "equality" which is the key idea of the Declaration means "equal justice," the Rule of Law, the same rules for everybody because we are one in our essential humanity.

The reflections of H. L. Mencken on this point are intriguing as coming from a man usually critical of religion. In 1926 Mencken wrote an essay entitled "Equality Before the Law." "Of all the ideas associated with the general concept of democratic government," he wrote, "the oldest and perhaps the soundest is that of equality before the law. Its relation to the scheme of Christian ethics is too obvious to need statement. It goes back, through the political and theological theorizing of the middle ages, to the early Christian notion of equality before God. . . . The debt of democracy to Christianity has always been underestimated. . . . Long before Rousseau was ever heard of, or Locke or Hobbes, the fundamental principles of democracy were plainly stated in the New Testament, and elaborately expounded by the early fathers, including St. Augustine.

"Today, in all Christian countries, equality before the law is almost as axiomatic as equality before God. A statute providing one punishment for A and another for B, both being guilty of the same act, would be held unconstitutional everywhere, and not only unconstitutional, but also in plain contempt of common decency and the inalienable rights of man. The chief aim of most of our elaborate legal machinery is to give effect to that idea. It seeks to diminish and conceal the inequities that divide men in the general struggle for existence, and to bring them before the bar of justice as exact equals."

The freedom quest of Western man, as it has exhibited itself periodically over the past 20 centuries, is not a characteristic of man as such. It is a cultural trait, philosophically and religiously inspired. The basic religious vision of the West regards the planet earth as the creation of a good God who gives a man a soul and makes him responsible for its proper ordering; puts him on earth as a sort of junior partner with dominion over the earth; admonishes him to be fruitful and multiply; commands him to work; makes him a steward of the earth's scarce resources; holds him accountable for their economic use; and makes theft wrong because property is right. When this

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outlook comes to prevail, the groundwork is laid for a free and prosperous commonwealth such as we aspired to on this continent.

A Created Being in a Created World

We gaze out upon the world around us and are struck by the preponderance of order, harmony, beauty, balance, intelligence, and economy in the way it works. The thought strikes us that the explanation of the world is not contained within the world itself, but is to be sought in a Source outside the world. The Bible simply declares that God created the world, and when He had finished He looked out upon the world He had created and called it good. The biblical world is not *Maya*—as Hinduism calls its world; it is not a mirage or an illusion. Nor is the world of nature holy; only God is holy. The created world, including the realm of nature, is "the school of hard knocks." The earth challenges us to understand its workings so that we might learn to use it responsibly to serve our purposes. Economics and the free enterprise system teach us how to use the planet's scarce resources providently, efficiently, and non-wastefully—in order to produce more of the things we need.

Man comes onto the world scene as a created being. As a created being, man is a work of divine art and not a mere happening; he possesses free will and the ability to order his own actions. As such, he is a responsible being. He's no mere chance excrescence tossed up haphazardly by physical and chemical forces, shaped by accidental variations in his environment. To the contrary, man is endowed with a portion of the divine creativity, giving him the power to dynamically transform himself, and his environment as well, according to his needs and his vision of what ought to be.

The other orders of creation—animals, birds, bees, fish, and so on—live by the dictates of their instincts. But our species has no such infallible inner guidelines as our fellow creatures possess; our guidelines are formulated in the moral code, as summed up in the Ten Commandments.

Ethical relativism is a popular attitude today; it is a wrong answer to questions such as: Is there a moral code? Are there moral laws? Let me summarize briefly the argument that our universe has a built-in moral order by showing that there is a striking parallel between the laws of physical nature and moral laws.

The laws of science transcribe into words the observed causal regularities in the world of physical nature, i.e., the realm of things which can be measured, weighed, and counted. This is one sector of reality. Reality also exhibits a moral dimension, where things are valued or disdained on a scale of ethics ranging from good to evil. Biological survival depends on conforming our actions to the laws of nature; ignorance is no excuse. Social survival, the enhancement of individual life in society, depends on willing obedience to the moral code that condemns murder, theft, false witness, and the rest. Transgressors lead us toward social decay and cultural disorder.

Your individual *physical* survival depends on several factors. If you want to go on living you need so many cubic feet of air per hour, or you suffocate. You need a minimum number of calories per day, or you starve. If you lack certain vitamins and minerals specific diseases will appear. There is a temperature range within which human life is possible: too low and you freeze, too high and you roast. These are some of the requirements you must meet for individual bodily survival. They are not statutory requirements, nor are they mere custom. They are laws of this physical universe, which one can deny only at his peril.

Establishing a Moral Order

It is just as obvious that our survival as a community of men, women, and children depends on meeting certain *moral* requirements: a set of rules built into the nature of things which must be obeyed if we are to survive as a society—especially as a social order characterized by personal freedom, private property, and social cooperation under the division of labor.

Moses did not invent the Ten Commandments. Moses intuited certain features of this created world that tell us what we must do to survive as a human community, and he wrote out the code: Don't murder, don't steal, don't assault, don't bear false witness, don't covet. Similar codes may be found in every high culture.

It would be impossible to have *any* kind of a society where most people are constantly on the prowl for opportunities to murder, assault, lie, and steal. A good society is possible only if most people

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most of the time do *not* engage in criminal actions. A good society is one where most people most of the time tell the truth, keep their word, fulfill their contracts, don't covet their neighbor's goods, and occasionally lend a helping hand. No society will ever eliminate crime, but any society where more than a tiny fraction of the people exercises criminal tendencies is on the skids. To affirm a moral order is to say, in effect, that this universe has a deep prejudice against murder, a strong bias in favor of private property, and hates a lie.

The history of humankind in Western civilization was shaped and tempered by biblical ideas and values, and the attitudes inspired by these teachings. There was much backsliding, of course; but in the fullness of time scriptural ideas about freedom, private property, and the work ethic found expression in Western custom, law, government, and the economy—especially in our own nation. We prospered to the degree that we practiced the freedom we professed; we became ever more productive of goods and services. The general level of economic well-being rose to the point where many became rich enough so that biblical statements about the wealthy began to haunt the collective conscience.

The Bible does warn against the false gods of wealth and power, but it legitimizes the normal human desire for a modicum of economic well-being—which is not at all the same as *idolizing* wealth and/or power. As a matter of fact, the Bible gives anyone who seeks it out a general recipe for a free and prosperous commonwealth. It tells us that we are created with the capacity to choose; we are put on an earth which is the Lord's and given stewardship responsibilities over its resources. We are ordered to work, charged with rendering equal justice to all, and to love mercy. A people which puts these ideas into practice is bound to become better off than a people which ignores them. These commands laid the foundation for the economic well-being of Western society.

Western civilization, which used to be called "Christendom," did not prosper at the expense of the relatively poor Third World. This unhappy sector of the globe is poor because it is unproductive; and it is unproductive because its nations lack the institutions of freedom that enabled *us* to achieve prosperity.

During recent years a small library of books and study guides has poured off the presses of American church organizations (and from secular publishers as well) with titles something like "Rich Christians (or Americans) in a Hungry World." The allegation is that *our* prosperity is the cause of *their* poverty; in other words, the Third World has been made poor by the very same economic procedures—"capitalism"—that have made Western nations prosperous! Therefore—the argument runs—our earnings should be taxed away from us and our goods should be handed over to Third World countries—as a matter of social justice! The false premise is that the wealth *we* have labored to produce has been gained at *their* expense. Sending them our goods, then, is but to restore to the Third World what rightfully belongs to it! What perverse ignorance of the way the world works!

Nations of the West were founded on biblical principles of justice, freedom, and a work ethic, which led naturally to a rise in the general level of prosperity. Our wealth could not have come from the impoverished Third World where there was a scarcity of goods. We prospered because of our productivity; we became productive because we were freer than any other nation. Freedom in a society enables people to produce more, consume more, enjoy more; and also to give away more—as we have done—to the needy in this land and in lands all over the world. The world has never before witnessed international philanthropy on such a scale.

No one has denied Third World nations access to the philosophical and religious credo which has inspired the American practices that make for economic and social well-being. Few nations have done more to make the literature of liberty available to all who wish it than American missionaries, educators, philanthropists, and technicians. But there is something in the creeds of Third World countries that hinders acceptance. However, when non-Christian parts of the world decide to emulate Western ideas of economic freedom they prosper. Look what happened to the economies of Taiwan, South Korea, Hong Kong, and Singapore when they turned the market economy loose!

Regarding the Poor

Ecclesiastical pronouncements on the economy are fond of the phrase "a preferential option for the poor." It is invoked as the rationale for governmental redistribution of wealth, that is, for a program of

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taxing earnings away from those who produce in order to subsidize selected groups and individuals. But it is a fact that reshuffling wealth by programs of tax and subsidy merely enriches some at the expense of others; the nation as a whole becomes poorer. Private enterprise capitalism is, in fact, the answer for anyone who really does have a preferential option for the poor. The free market economy, wherever it has been allowed to function, has elevated more poor people further out of poverty faster than any other system.

Another phrase, repeated like a mantra, is "the poor and oppressed." There is, of course, a connection between these two words; a person who is oppressed is poorer than he would be otherwise. Oppression is always political; oppression is the result of unjust laws. Correct the injustice by repealing unjust laws; establish political liberty and economic freedom. But even in the resulting free society, where people are *not* oppressed, there will still be some people who are relatively poor because of the limited demand for their services. Teachers and preachers are poor compared to rock musicians because the masses spend millions to have their ears assaulted by amplified sound, in preference to the good advice often available for free!

Ecclesiastical documents announce their concern for "the poor and oppressed," but the authors of these documents are completely blind to the forms oppression may take in our day. If there are unjust political interventions that deny people employment, this would seem to be a flagrant case of oppression. There are many such interventions. Minimum wage laws, for instance, deny certain people access to employment, and these people are poorer than they would be otherwise; the entire nation is less well off because some people are not permitted to take a job. The same might be said of the laws that grant monopoly status to certain groups of people gathered as "unions"—U.A.W., Teamsters, and the like. The above-market wage rate they gain for union members results in unemployment for others both union and nonunion. It is not difficult to figure out why this is so. The general principle is that when things begin to cost more we tend to use less of them. So, when labor begins to cost more, fewer workers will be hired.

It would take several pages to list all of the alphabet agencies that regulate, control, and hinder productivity, making the entire nation less prosperous than it need be. Our country suffers under these oppressions, economically and otherwise, but not so severely as the oppressed people of other nations, especially Communist and Third World nations. Churchmen recommend, as a cure for Third World poverty, that we deprive the already over-taxed and hampered productive segment of our people of an even larger portion of their earnings, so as to turn more of our money over to Third World governments. This will further empower the very Third World politicians who are even now oppressing their people, enabling those autocrats to oppress them more efficiently!

The New Testament and the Rich

It is not difficult to rebut the manifestoes issued by various religious organizations. But then we turn to certain New Testament writings and are confronted by what seem to be condemnations of the rich. How, for example, shall we understand Jesus' remark, found in Luke 18:25 and Matthew 19:24: "It is easier for a camel to go through a needle's eye, than for a rich man to enter into the kingdom of God"?

Jesus' listeners were astonished when they heard these words. Worldly prosperity, many of them assumed, was a mark of God's favor. It seemed to follow that the man whom God favored with riches in this life was thereby guaranteed a spot in heaven in the next.

There is a grain of truth in this distorted popular mentality. Biblical religion holds that man is a created being, with the signature of his Creator written on each person's soul. This inner sacredness implies the ideal of liberty and justice in the relations between person and person. These free people are given dominion over the earth in order to subdue it, working "for the glory of the Creator and the relief of man's estate," as Francis Bacon put it. This is but another way of saying that those who follow the natural order of things—God's order—in ethics and economics will do better for themselves than those who violate this order. The faithful, we read in Job 36:11, ". . . if they obey and serve Him . . . shall spend their days in prosperity and their years in pleasures."

Perhaps Jesus had something else in mind as well. Palestine had been conquered by Rome.

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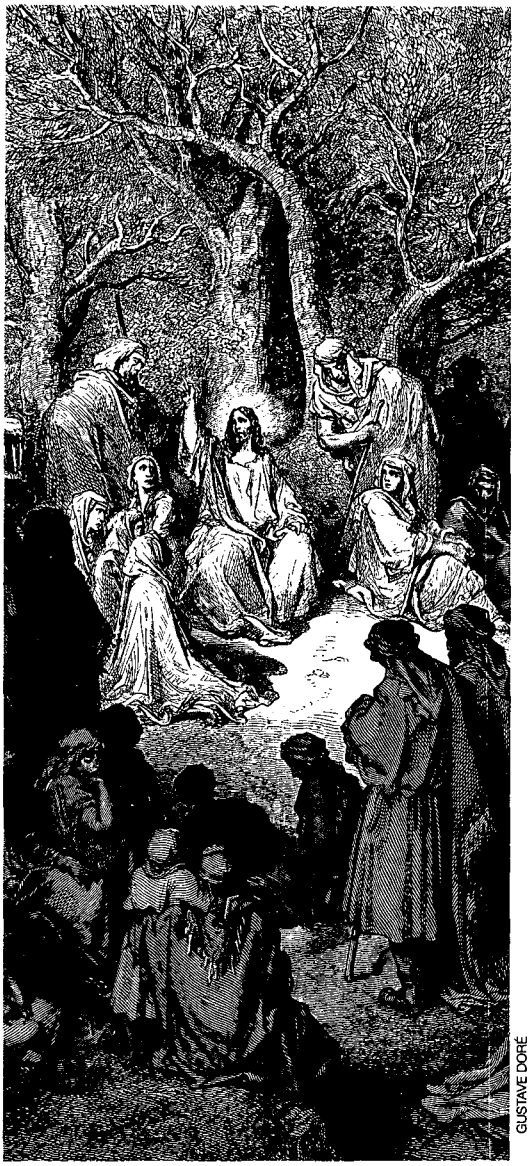
Roman overlords, wielding power and enriching themselves at the expense of the local population, would certainly supply many examples of "a rich man." Furthermore, there were those among the subject people who hired themselves out as publicans to serve the Romans by extorting taxes from their fellow Jews. "Publicans and sinners" is virtually one word in the Gospels!

In nearly every nation known to history, rulers have used their political power to seize the wealth produced by others for the gratification of themselves and their friends. Kings and courtiers in the days of slavery and serfdom consumed much of the wealth produced by farmers, artisans, and craftsmen. Today, politicians in Communist, socialist, and welfarist nations, democratically elected by "the people," share their power with a congeries of special interests, factions, and pressure groups who systematically prey on the economy, depriving people who do the world's work of over 40 percent of everything they earn.

Many a "rich man" lives on legal plunder, today as well as in times past. Frederic Bastiat's little book, *The Law*, familiarizes us with the procedure. The law is an instrument of justice, intended to secure each individual in his right to his life, his liberty, and his rightful property. Ownership is rightfully claimed as the fruit of honest toil and/or as the result of voluntary exchanges of goods and services. But the law, as Bastiat points out, is perverted from an instrument of justice into a device of plunder when it takes goods from lawful owners by legislative fiat and transfers them to groups of the politically powerful. "Robbery is the first labor saving device," wrote Lewis Mumford, and political plunder is a species of theft. The fact that it is legally sanctioned does not make it morally right; it is a violation of the commandment against theft.

The Israelites had fond memories of King Solomon. "All through his reign," we read in 1 Kings 4:25, "Judah and Israel continued at peace, every man under his own vine and fig tree, from Dan to Beersheba." A nice tribute to individual ownership and economic well-being! The Bible has high praise for honestly earned wealth, and it is exceedingly unlikely that Jesus, in the passage we have been considering, intended anything like a general condemnation of wealth, as such.

At this point someone might raise a legitimate question: "Did not Jesus say, in the Sermon on the Mount, 'Blessed are the poor'?" Well, yes and no.



GUSTAVE DORÉ

The Sermon on the Mount

The Sermon on the Mount appears in two of the four Gospels, in Matthew and in Luke. In Luke 6:20 the Beatitude reads: "Blessed are the poor"; but in Matthew 5:3 it is: "Blessed are the poor *in spirit*." There's a discrepancy here; how shall we interpret it?

The Beatitudes were spoken somewhere between 25 and 30 A.D. The Gospels of Matthew and Luke appeared some 50 or 60 years later. Both authors had access to the Gospel of Mark, to fragments of other writings now lost, and to an oral tradition extending over the generations. We do not have the original manuscripts of the Gospels; what

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we have are copies of copies, and eventually translations of copies into various languages.

Scholars tell us that the Aramaic original of those two words, "the poor," is *am ha-aretz*—"people of the land." The *am ha-aretz*—at this stage in Israel's history—were outside the tribal system of Jewish society; they did not have the time or inclination to observe the niceties of priestly law, let alone its scribal elaborations. The work of the *am ha-aretz* brought them into contact with Gentiles and Gentile ways of life, which in the eyes of the orthodox was defiling. Their status is like that of the people on the bottom rung of the Hindu caste system—the *Sudras*. Jesus is reminding His hearers that these outcasts are equal in God's sight to anyone else in Israel, and because of their lowly station in the eyes of society, they may be more open to man's need of God than the proud people in the ranks above them. The New English Bible provides an interesting slant on this text; it translates "poor in spirit" as "those who know their need of God."

In short, Jesus is saying that all are equally precious in God's sight, including the lowly *am ha-aretz*; He is not praising indigence, as such.

Biblical Interpretation

The Bible is full of metaphor and symbolism and allegory. Literal interpretation usually falls short; proper interpretation demands a bit of finesse . . . as in the case of St. Paul's remark about money.

St. Paul declared that "The love of money is the root of all evil." (1 Tim. 6:10) The word "money" in this context—scholars tell us—does not mean coins, or bonds, or a bank account. Paul uses the word "money" to symbolize the secular world's pursuit of wealth and power. We tend to become infatuated with "the world." It's the infatuation which is evil, for God's kingdom is not wholly of this world. We are the kind of creatures whose ultimate destiny is achieved only in another order of reality: "Here we have no continuing city." (Heb. 13:14) Accept this world with all its joys and delights; live it to the full; but remember—we are pilgrims, not settlers. In today's vernacular, Paul might be telling us: "Have a love affair with this world, but don't marry it!"

We know that there are numerous unlawful ways to get rich, and these deserve condemnation. But prosperity also comes to a man or woman as the fairly earned reward of honest effort and service. The Bible has nothing but praise for wealth thus gained. "Seest thou a man diligent in his business?" said the author of Proverbs (Pr. 22:29). "He shall stand before kings." Economic well-being is everyone's birthright, provided it is the result of honest effort. But we are warned against a false philosophy of material possessions.

This, I think, is the point of Jesus' parable of the rich man whose crops were so good that he had to build bigger barns. (Luke 12:17 ff.) This good fortune was the man's excuse for saying, "Soul, thou hast much goods laid up for many years; take thine ease, eat, drink, be merry."

There is a twofold point to this parable. The first is that nothing in life justifies us in resigning from life; we must never stop growing. It has been well said that we don't *grow* old, we *become* old by not growing. The second point is that a material windfall—like falling heir to a million dollars—may tempt a man into the error of quitting the struggle for the real goals in life. Jesus condemned the man who put his *trust* in riches, who "layeth up treasure for himself and is not rich toward God." He did not condemn material possessions as such; He taught stewardship, which is the responsible ownership and use of rightfully acquired material goods.

Life here is probative; our three score years and ten are a sort of test run. As St. Augustine put it, "We are here schooled for life eternal." And one of the important examination questions concerns our economic use of the planet's scarce resources and the proper management of our material possessions. These are the twin facets of Christian stewardship, and poor performance here will result in dire consequences. Jesus put it very strongly: "If, therefore, you have not been faithful in the use of worldly wealth, who will entrust to you the true riches?" (Luke 16:12)

What does it mean to be "faithful in the use of worldly wealth?" What else can it mean except the intelligent and responsible use of the planet's scarce resources to transform them by human effort and ingenuity into the consumable goods we humans require not only for survival, but also as a means for the finer things in life? In practice, this means free market capitalism—the free enterprise system—in the production, exchange, and utilization of our material wealth in the service of our chosen goals. □

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A REVIEWER'S
NOTEBOOK

Leftism Revisited

by John Chamberlain

If you want to know the worst about Karl Marx (and there is very little good to be said for him), it's all here in Erik von Kuehnelt-Leddihn's *Leftism Revisited: From de Sade and Marx to Hitler and Pol Pot* (Regnery Gateway, 520 pages, $29.95 cloth).

The *Communist Manifesto*, written by Marx jointly with Engels, with its ominous words about a "specter" haunting Europe in 1848, was originally published in London. With turmoil in the mid-century air, the authors felt justified in saying that all history was the history of class struggles. But in what they called "pre-history" there had been no classes, and property had been held in common. "In other words," says Kuehnelt-Leddihn, "they adopt the Rousseauistic notion of a paradisiacal past, a Golden Age, a secular version of the biblical story."

This about ended Marx's connection with Adam and Eve and the Garden. Says Kuehnelt-Leddihn, "A violent critique of bourgeois civilization follows, a passage that highlights the dominant characteristic of Marx: self-hatred. Marx, the typical product of bourgeois culture, is antibourgeois; Marx, of Jewish origin, is anti-Jewish; Marx, a permanent resident of capitalist Britain, is anticapitalist; Marx, married to an aristocrat, is antiaristocratic."

In Paris the self-hating Marx "wrote his first bitterly hostile essay on the Jews. Marx nurtured a real hatred for the Jews, in whom he saw the very embodiment of bourgeois capitalism. But his prejudice had a racist as well as a sociological character."

Marx had to have access to big libraries. (The "idiocy of rural life" did not provide access to books.) So Marx found a library and working space in the British Museum, which he "used to his dying day." His financial support came from Engels, and from the New York *Tribune*.

With Engels, Marx agreed that the bourgeoisie had played a role in history in building up the middle classes. They killed feudalism. But the bourgeoisie, as Marx and Engels saw it, had done too well. They had exhausted their internal markets. Now, with foreign markets drying up, hadn't the time come for a new ruling class, the proletariat? Hence the call: "Proletarians of all countries, unite. You have nothing to lose but your chains."

With their doctrine of inevitability, Marx and Engels might have allowed things to rest there. But to hurry the process of change along, they advocated 10 measures. One was for confiscation of real estate to pay the costs of government. Another was for highly progressive taxation. A third was abolition of the right to inherit.

The trouble with the *Manifesto* is that history refused to support it. Most of the 10 points advocated by Marx and Engels have become commonplace. But the wealthy remain wealthy, and the poor have been catching up to them. Eduard Bernstein first pointed this out in Germany. It was in Russia that the "revolution" occurred, without historical prediction or warrant.

Bill Buckley has published Kuehnelt-Leddihn's columns in *National Review* for the past 35 years, and writes the preface to this book. Buckley does not find it remarkable that Kuehnelt-Leddihn

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believes in minority rule. Nor do I. Majorities should be contained—there should be whole areas left beyond their reach. The Bill of Rights does what it can to give minorities their scope. It may not be enough, but it helps.

We have escaped the worst features of the French Revolution, which could not provide for a legal succession and fell victim to Bonapartism. The checks and balances provided by Madison and the other Founders work, even though they were established by 55 men who misapplied the thinking of Montesquieu, who didn't see that Parliament in England was all-powerful.

There's an appendix entitled "What Is Left?" listing 41 succinct earmarks of modern collectivism—socialism, Communism, welfarism, and the like. For example, Left is "Messianism assigned to one group: a nation, a race, a class." Again, Left is "Totalitarianism: pervasion of all spheres of life by one doctrine." Left is the "Provider (Welfare) State: from the cradle to the grave."

The sub-appendix headed "What Is Right?" has only one item: "The opposite of all the above or its absence."

It should be obvious after reading *Leftism Revisited* that no party or system is ever 100 percent Left or Right. It's a question of what predominates, and where we are headed.

Kuehnelt-Leddihn is surely one of the more remarkable personages of our time; a few minutes in his company convinces one of that, as will time spent with any of his books. He is fluent in nine languages and can get by in as many more—a skill which serves him well in his constant travels which take him into all parts of the globe. He's a prodigious reader, as the 150 pages of notes in this book attest; there are keen comments on books and shrewd profiles of authors. This man does not write to soothe; some will be infuriated by this or that opinion expressed in these pages, but every reader will grow a little. □

CHILD LABOR AND THE INDUSTRIAL REVOLUTION

by Clark Nardinelli

Indiana University Press, Tenth and Morton Streets, Bloomington, IN 47405 • 1990 • 194 pages • $25.00 cloth

Reviewed by David M. Brown

While there are many reasons for the "anti-capitalist mentality" so prevalent among intellectuals (and, in somewhat less virulent form, among the general public), distortions of our economic past must surely rank prominently among them.

As F. A. Hayek put it in *Capitalism and the Historians*, "Few men will deny that our views about the goodness or badness of different institutions are largely determined by what we believe to have been their effects in the past. . . . Yet the historical beliefs which guide us in the present are not always in accord with the facts; sometimes they are even the effects rather than the cause of political beliefs. Historical myths have perhaps played nearly as great a role in shaping opinion as historical facts. Yet we can hardly hope to profit from past experience unless the facts from which we draw our conclusions are correct."

More reliable accounts of the past must supplant these false historical beliefs if our endangered heritage of economic and political freedom is to be revived. This is so even in an age in which the opposite of economic freedom—socialism—seems to be almost universally discredited. Without a real appreciation of capitalism's virtues and achievements, the only substitutes offered for presumably defunct socialism will be obnoxious "new" versions of the "mixed economy," unnecessarily burdening denizens of both the East and the West for numberless years to come. So by all means, let's get the history right.

In this slim but fact-packed volume, economist Clark Nardinelli observes that many historians regard child labor as symbolic of the ravages of the Industrial Revolution. Following the lead of contemporary factory-system critics like Richard Oastler, they often begin with an arbitrary moral assumption—that child labor is immoral or exploitative on its face—and squeeze the facts to fit that assumption.

"The study of child labor and the industrial revolution has, I believe, paid too little attention to the

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economic reality of that labor," Nardinelli writes. "Child labor can easily be the outcome of family decisions to improve the well-being of children. The important decision with respect to child labor, moreover, may not be between working and not working but between working at home and working away from home. . . . Under the conditions of the early industrial revolution, child labor may well have made children (and the family) better off."

This possibility was never even considered by many of the earliest critics of child labor in the factories. With proto-Marxian outrage, Richard Oastler compared the situation of working minors to that of slaves: ". . . Ye are compelled to work as long as the necessity of your needy parents may require, or the cold blooded avarice of your worse than barbarian masters *may demand*! . . . Ye are doomed to labour from morning to night for one who cares not how soon your weak and tender frames are stretching to breaking." Oastler's lurid charges have had a sweeping influence on the perceptions of later writers.

But support for these claims comes mainly from the 1832 *Report of the Select Committee on the Bill for the Regulation of Factories*, recounting testimony that we now recognize to be skewed in favor of the prosecution. The Committee, led by M. T. Sadler, a pal of Oastler's, was originally supposed to hear evidence from both critics and supporters of the British factory system. But instead, only antagonistic witnesses—carefully coached by Oastler—were allowed to be heard, and their horror stories remain "the basic indictment of child labor in early industrial Britain."

In a later inquiry, held in May 1833, factory overseer John Redmen offered more favorable testimony. He recognized instances of mistreatment, but contended that "generally they are as well treated in mills as anywhere else. Those parents who look after their children now, and place them now with masters who treat them well, will manage them well when they are turned out of the mills at six o'clock: those parents who now place their children, for the sake of higher wages, with spinners who ill treat them, rather than with neighbors or friends, will, I suppose, treat them in the same way as they do now, that is, neglect them." This kind of testimony has exerted considerably less influence among historians, perhaps because, as Hayek argues, political beliefs have indeed shaped historical ones.

There is no evidence that parents typically sent their children to work out of arbitrary greed or negligence; rather it was a matter of survival. In this connection Nardinelli cites the work of David Vincent, whose study of working-class autobiographies concluded that their authors "believed that their parents made them labor because they could not afford to do otherwise, and that as children they were simply trapped in the poverty of the family and the class into which they had been born." There *is* evidence that the increased productivity and opportunities of the factory system made it possible for more children and parents to survive than would have in a more primitive economy. Furthermore, despite long hours by today's standards, children working in the factories were usually assigned peripheral and relatively easy tasks. It could be a much tougher slog out in the country, where the hours were certainly no shorter.

Although he is sound and scholarly on most points, the author plunges into muddy waters when he tries to prove something about exploitation with statistics. He notes that for many critics, if a child has to work at all he is being exploited, whether or not his earnings mean the difference between life and death. Their assertion implies that how children were actually treated in particular cases is irrelevant.

But his own "neoclassical" definition is no improvement: "According to the neoclassical definition, economic exploitation exists when the value of the worker's marginal product (that is, what the worker adds to the revenues of the firm) exceeds the wage rate." Nardinelli himself concedes that measuring the marginal productivity of child labor is a dubious chore, but his premise is wrong in any case. Wage rates on the market are determined competitively. Of course they are *related* to the marginal product of the labor; that's why a CEO tends to be paid more than a clerk. But whether "exploitation" exists has to do with behavior, not with meeting the requirements of some academic formula that presupposes the evil of "excessive" capitalist profit. (Especially since the values can be plugged into the equation only *after* wages have been paid and profits have been earned—with the profits coming *later*, if at all.) When the text strays from common-sense economics it can be annoying and wrongheaded, but there are only 10 or 12 pages here that are completely useless.

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The only other problem, for the general reader, is the sheer inclusiveness of the argument. Because Nardinelli has apparently absorbed all the extant literature on the subject of child labor in the Industrial Revolution, he sometimes deals with arcana that could be of interest only to fellow academics. But, on the other hand, he covers many areas about which solid information is urgently needed. He shows that anecdotes by themselves reveal little without an understanding of which direction the trends are going, and what the historical context is; and he unveils that context. Despite its rather dry tone, *Child Labor and the Industrial Revolution* is a clear and important contribution to setting capitalism's historical record straight. □

David M. Brown, a free-lance writer, is also the managing editor of the Laissez Faire Books catalog, and the publisher of a monthly newsletter on culture and current affairs.

THE CRISIS IN DRUG PROHIBITION
edited by David Boaz

Cato Institute, 224 Second Street, SE, Washington, DC 20003 • 1990 • 148 pages • $8.00 paper

Reviewed by William H. Peterson

Prohibition is an awful flop.
We like it.
It can't stop what it's meant to stop.
We like it.
It's left a trail of graft and slime,
It don't prohibit worth a dime,
It's filled our land with vice and crime.
Nevertheless, we're for it.

So wrote Franklin P. Adams (as recalled by contributor James Ostrowski in this volume) kidding the 1931 report of the Wickersham Commission, a blue-ribbon panel of eminent Americans appointed by President Hoover. Hoover and the nation were perplexed by the wholesale defiance of law, the mushrooming of speakeasies, the rise of the Mafia, the wave of organized crime that swept over America in the 1920s.

Amazingly, the Wickersham Commission concluded that, although "there is as yet no adequate observance or enforcement" of Prohibition or the 18th Amendment, the Government should "substantially" increase appropriations and crack down harder on the law-breakers. Nonetheless, proponents of legalization won the struggle: in 1933, just two years later, the 18th Amendment was repealed and Prohibition was dead.

Ostrowski, the head of Citizens Against [Drug] Prohibition, is right to review the story of [alcohol] Prohibition and point up the wisdom of Santayana that those who don't know history are condemned to repeat it. For today President Bush, like the Wickersham Commission of yesteryear, escalates the War on Drugs, seeking appropriations of $11.7 billion in Federal anti-drug funding for fiscal 1992, an increase of 11 percent over 1991.

James Ostrowski is one of 28 leading critics of drug prohibition gathered in this timely and most important Cato study. They cover the opinion spectrum from left to right, from Anthony Lewis, Richard Cohen, and Hodding Carter III to Charles Murray, Milton Friedman, and William F. Buckley Jr. They include the editors of *The Economist*, Baltimore Mayor Kurt Schmoke, New York State Senator Joseph Galiber, Hoover Institution economist Thomas Sowell, and Princeton University Professor Ethan Nadelmann.

The critics see the government's intervention of prohibiting drugs bringing on the Law of Unintended Consequences with a vengeance: a sharp increase in street crime, the spread of AIDS (through exchanging contaminated needles), the swelling of our prisons with drug offenders, children lured into drug dealing, destruction of inner-city communities, a further decline in respect for the law, the corruption of law enforcement officials from Latin America to the ghettos of Harlem and Watts, Chicago and Washington, D.C.

To be sure, legalization wouldn't solve the drug problem entirely. But, notes editor and Cato's executive vice president David Boaz in his introduction, legal drugs are getting weaker—low-tar cigarettes, nonalcoholic beer, wine coolers. He points out that 41 million Americans have quit smoking, and sales of spirits are off. Too, as Americans become more health conscious, they are turning away from drugs. Boaz feels drug education would do more to encourage the trend if it were separated from drug enforcement.

Professor Nadelmann argues there would be no dramatic increases in drug use after legalization. He cites evidence from the Netherlands, the American states that have already decriminalized marijuana, Asian countries when drugs were legal, and 19th-century America—where all drugs were legal.

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How would legalization be implemented? Back to editor Boaz. He suggests the nation might apply "the alcohol model." Thus marijuana, cocaine, and heroin would be sold only in specially licensed stores, perhaps in liquor stores, perhaps in a new kind of drugstore. Warning labels would be posted in the stores and on the packages. It would be illegal to sell drugs to minors. It would be illegal to advertise drugs on television "and possibly even in print." It would be illegal to drive under the influence of drugs, and there would be added penalties for committing other crimes under their influence, as is the case with alcohol.

Such concessions from well-known libertarian Boaz indicate how much the War on Drugs has backfired, how much America needs to debate here and now the question: "Does Prohibition Create More Problems Than It Solves?" □

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Ludwig von Mises

LIBERALISM:
IN THE CLASSICAL TRADITION

LIBERALISM: In The Classical Tradition by Ludwig von Mises is a book-length essay that sums up the ideas and principles of classical liberalism as they apply to the twentieth century. First published in Germany in 1927, it was published in the United States under the title *The Free and Prosperous Commonwealth* in 1962 and reissued in the mid-seventies by The Institute for Humane Studies. It was republished by The Foundation for Economic Education in association with the Cobden Press in 1985, and has recently been reprinted.

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